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Delegations Report Arms Treaty Ready for Signing

LD2707195591 Moscow TASS in English 1922 GMT 27 Jul 91

[Text] Moscow July 27 TASS—The Soviet and American delegations ended in Geneva today the coordination of the text of the agreement on the limitation of strategic offensive armaments. Head of the Soviet delegation Yuriy Nazarkin said in a TV interview that the signing of the treaty will "consolidate military security in the world and will create a more durable political basis for further development of Soviet-American relations."

The Soviet diplomat stressed that the treaty would promote the conversion of the arms-manufacturing industry of the Soviet Union. It will be possible to implement it without any damage to the national security.

Officials on Results of Talks

LD2707103991 Moscow All-Union Radio First Program Radio-1 Network in Russian 0700 GMT 27 Jul 91

[Text] Farid Seyful-Mulyakov, our correspondent in Switzerland, visited one of the last sittings of the Geneva talks on the reduction of strategic offensive weapons, where the delegations of the USSR and the United States of America were completing their work before the forthcoming Moscow meeting of the presidents of the Soviet Union and the United States.

[Seyful-Mulyakov] The conversation with Linton Brooks, the head of the U.S. delegation:

Mr. Brooks, what could you say to sum up the results of the American-Soviet talks, which have lasted nearly 10 years?

I want to make three points, Brooks stressed. First, we have completed a process from which both our countries and the world as a whole will gain greater security. Second, this success would be unthinkable without the desire of Washington and Moscow to meet one another halfway and to seek ways of agreement. Finally, we have completed a great matter that symbolizes a new kind of mutual understanding and cooperation between the United States and the Soviet Union, and I am very proud of that, Linton Brooks emphasized.

The conversation with Yuriy Nazarkin, the head of the Soviet delegation at the Geneva talks:

Yuriy Konstantinovich, you have conducted these talks for a number of years. What will it mean for our country?

Both states and the whole of mankind will reduce the level of the military confrontation in which the world has found itself, Nazarkin stresses. It's as though we were on a very dangerous peak of 25,000 warheads and some 5,000 strategic missiles. Now we are going to come down from that dangerous peak. In other words, as a result of the talks, military security in the world will be strengthened. Apart from that, there will be a sounder political basis for the further development of our relations with the United States. Finally, a very important circumstance, Nazarkin emphasized, is that the treaty will assist the conversion of our military industry. Moreover, we will be able to carry it through without any detriment to our security. The whole world awaits the signing in Moscow of the treaty on reducing strategic offensive weapons by the presidents of the two countries.

U.S. ABM System 'Mine' on Arms Talks Road

PM2907085991 Moscow KRASNAYA ZVEZDA in Russian 25 Jul 91 First Edition p 3

[Colonel M. Ponomarev article under "Observer's Column" rubric: "A Mine on the Road"]

[Text] On the very same day, 17 July, that Presidents M. Gorbachev and G. Bush were in London surmounting the last obstacle on the road to concluding a treaty on limiting strategic nuclear weapons and agreeing to sign it at another summit meeting in Moscow, the U.S. Senate Armed Services Committee concluded its discussion of the draft military budget for fiscal 1992. The committee approved it at the sum of $291 billion.

On the whole this is routine business. Especially as the committee's decision does not signal the end of the process of adopting the budget. It still has to be examined by the entire Senate and coordinated with the version adopted by the House of Representatives. But what attracted the attention of observers was one major addition made by the committee to the bill on military appropriations. It makes provision for the deployment on the continental United States in fiscal 1996 of an ABM [antiballistic missile] system for defense against a limited or unsanctioned launch of enemy ICBM's.

What is at issue here? The Senate Committee session deemed it expedient to site 100 ground-based antimissile missiles at Grand Forks Airbase in North Dakota to protect, according to the intention of the plan's authors, any of the 48 states of the continental United States from nuclear attack. This proposal may acquire the force of law if it wins support at a session of the full Senate and is ratified by both houses of Congress.

Naturally, the question arises: Why are the heads of the two powers with the greatest military might agreeing to a major reduction in strategic nuclear weapons while American legislators are discussing measures designed to breathe new life into the SDI—a program for ABM defenses with space-based elements whose destabilizing effect on international security has been the subject of mountains of articles and thousands of speeches? Does this mean that, when it comes to the people at the summit of power in the United States, the left hand does not know what the right hand is doing?

Not likely. This is simply further confirmation of the fact that, as before, there are extremely influential forces across the ocean who think it essential to exploit any opportunity for putting additional pressure on the Soviet

Union with the aim of dragging it into another round of military expenditure—this time in the sphere of strategic defensive weapons.

That this is indeed the case is obvious from the fact that once again a demand to review the Soviet-American ABM Treaty of 1972 is coming to the fore. The deployment of 100 antimissile missiles at Grand Forks outlined by the Senate Committee does not contravene the letter of this unlimited-duration treaty. But the members of the Senate Committee do not intend to restrict themselves to these antimissile missiles alone. They are insistently recommending that the administration elaborate amendments to the ABM Treaty in order to establish juridical preconditions for constructing additional installations with the aim of deploying several more (about six) ABM system facilities on U.S. territory.

The potentially explosive nature of this new round in the political campaign to review the provisions of the ABM Treaty is obvious. After all, the Soviet Union has stated on a number of occasions that a repudiation of the 1972 treaty will force it to examine the question of stopping the talks on reducing strategic offensive weapons and compel it to look again at the implementation of the agreements reached in this area.

Thus the addition to the bill on the U.S. military budget for fiscal 1992 concerning the deployment of an ABM system adopted by the U.S. Senate Armed Services Committee by a majority vote (16 to 4) is a mine on the road which the Soviet Union and the United States have been following for nine long years. A mine planted at precisely the moment when both sides have managed to reach the finishing post.

Soviet Arms in Eastern Germany Raise Questions

91WC0131A Moscow NEZAVISIMAYA GAZETA in Russian 9 Jul 91 p 9

[Article by Ilya Baranikas and Illarion Olsufyev under "Disarmament" rubric: "In Which Countries, Former Warsaw Pact Allies of the USSR, Did Nuclear Weapons Remain?: We Would Like to Know from Official Soviet Sources"]

[Text] Of what classes? When did they take them out or when will they do so? NEZAVISIMAYA GAZETA raised several questions in the scope of this subject as applied to the Czech and Slovak Federal Republic (see NEZAVISIMAYA GAZETA, 6 July 1991). The USSR Ministry of Defense may assess our questions as insufficiently competent but we purposefully did not appeal to American military annuals and CIA reports. We could not, however, get the necessary information from Soviet (including military) sources. We are counting on the Ministry of Defense ceasing to play the game of total secrecy, for it appears that the time has past when our press referred to Soviet aircraft by the NATO nickname "Backfire" and missiles by the designation "SS-20" invented in the United States ("SS" is the abbreviation of the English term "surface-to-surface"). In expecting our military to tell about the fate of Soviet-Czechoslovak nuclear weapons, we at the same time would like to ask them to illuminate the problem of Soviet nuclear warheads in eastern Germany.

From sources worthy of confidence, we learned that the command of the Western Group of Forces did not request permission from the authorities for the transport of fissionable materials. Even if warheads for medium and shorter-range missiles were completely destroyed and none of them was left in the territory of the former GDR, as was foreseen by the Soviet-American INF Treaty of 1987, atomic bombs for aircraft of the same class (that is, with a range of up to 5,500 km) and warheads for short-range nuclear delivery systems (up to 500 km)—aircraft, missiles, and artillery—should logically have remained.

If our military command in Germany really did not turn to the authorities of the FRG about the removal of nuclear weapons, then one may infer one of two things: a) the entire atomic arsenal of the Western Group of Forces is still in Germany; b) the nuclear weapons were taken out by the same means that was used to take Erich Honecker to the USSR—on Soviet military aircraft, from Soviet military airfields, without informing German authorities. The latter version, if it is confirmed, would mean disrespect for the sovereignty of the FRG (which, by the way, is nothing new for our military people: besides the evacuation of Honecker, let us recall the unannounced inspection visit of Marshal Yazov to the Western Group of Forces (that is, to the FRG)—all by the same simple and efficient but not completely legal means). A confirmation of the first supposition would give reason for curiosity: what kinds of Soviet nuclear weapons remained in the FRG and when will they be taken out?

There is still one other—mostly forgotten, to be sure—subject in this connection. Almost nine years ago, the Swedish Government came out with the proposal for the establishment of a zone free of battlefield nuclear weapons in central Europe. This idea was later supported and developed by the "Palme Commission" (an independent international commission on disarmament and security) and the communist parties of the GDR and CSSR in collaboration with the West German social democrats. When these parties passed, the governments of the GDR and CSSR appealed to the Government of the FRG with an official initiative, although the nature of the response from NATO was known in advance: on the basis of the NATO strategy, there was always the possibility of the first use of nuclear weapons in response to an attack by the superior conventional (nonnuclear) forces of the enemy.

There was talk in those years of the establishment of a nuclear-free "corridor" 300 km wide (150 km on both sides of the line dividing NATO and the Warsaw Pact), that is, of the withdrawal of the tactical nuclear weapons in the FRG, GDR, and CSSR from the border between the blocs. As far as we remember, the last time that this

idea was mentioned seriously was in 1988: Mikhail Gorbachev, appearing in Prague at a mass meeting for Czechoslovak-Soviet friendship, spoke of the willingness of the USSR to withdraw from the "corridor" all Soviet nuclear weapons under the condition that NATO do the same thing on the West German side. Since then, the "corridor" idea has somehow quietly died away (which is quite logical in connection with the disappearance of the schism in Europe); the same thing happened with the GDR, the Warsaw Pact, the friendship meetings, the presence of Soviet troops in Czechoslovakia, and many other things. But the tactical nuclear weapons remained for the time being—for NATO and the Soviet Union. The East and the West are still able to show only very modest results in the nuclear disarmament race: of medium-range weapons, only missiles have been destroyed but not aircraft; the strategic arsenals remain untouched since 1979 (SALT-2 Treaty), although they are expecting an agreement soon between the United States and the USSR on their 50-percent reduction; but so far tactical nuclear weapons have not been covered by any agreements. As for the latter, there are a number of difficulties having to do with the presence here as well as in the Western bloc of a large number of dual-purpose weapons, that is, missiles, aircraft, and artillery capable of delivering conventional as well as nuclear warheads. But as difficult as it may be, it is necessary to reduce nuclear weapons: this is prompted by political and economic prerequisites. In our Soviet case, it is especially economic considerations. Instead of a corridor, after all, it is possible to conceive of some other spatial construction....

Negotiations on tactical nuclear weapons are probably in the near future. The Paris Declaration of 22 states (November 1990) talks about their necessity. At that time, the president of the USSR declared a willingness to enter into these negotiations a month or two after the signing of a treaty on conventional armed forces in Europe. But considerably more time than that has already elapsed.... The main reason for the delay is the West's mistrust of the USSR and doubts about our willingness to carry out the treaty on conventional armed forces. (The Soviet press has written much about the tricks of the Ministry of Defense with the objective of exempting our forces and arms from reductions). It is necessary to restore the trust of the Western countries in us. And we think that that this would be helped by a frank—within reasonable limits—account of our nuclear weapons in Eastern Europe.

IMF Membership Application Evokes 'Surprise'

PM2907090591 Moscow IZVESTIYA in Russian 25 Jul 91 Union Edition p 1

[From IZVESTIYA, TASS, INTERFAX, RIA, REUTER, AP, and POSTFACTUM roundup: "USSR Makes Application"]

[Text] The Soviet Union has applied to join the IMF and the International Bank for Reconstruction and Development [IBRD] as a full member. An IBRD statement points out that the request is contained in a letter from USSR President M. Gorbachev to B. Conable, president of the bank. This appeal came as a surprise to the fund and to the United States. As is well known, the London summit meeting of the heads of state and government of the seven most industrially developed countries discussed the special status of associate membership for the USSR. Talks on this question will realistically be held very shortly, but the discussion of the problem of full membership will take not less than two years. However, in any event the IMF is prepared to provide immediate technical assistance in reorganizing the Soviet economy.

Officials Discuss Results of G-7 Summit Meeting

Shcherbakov: Expectations 'Exceeded'

91UF1006A Moscow RABOCHAYA TRIBUNA in Russian 20 Jul 91 p 3

[Report on interview with V. Shcherbakov, USSR first deputy prime minister, by Aleksey Kiselev, RABOCHAYA TRIBUNA correspondent, in London; date not given: "'The Results Exceeded Our Expectations'"]

[Text] London—**At the completion of the meeting of USSR President M. Gorbachev with the leaders of the seven industrially developed countries, our London correspondent asked V. Shcherbakov, USSR first deputy prime minister, who was a member of the delegation in the British capital, to comment on its results.**

[Kiselev] Vladimir Ivanovich, the chief results of M. Gorbachev's meeting with the leaders of the 'seven' relate, if it can be put this way, to the sphere of the philosophy of grand policy, and they address a future day. But how would you formulate the significance of the results of the London forum for the present day?

[Shcherbakov] I agree with your main assessment of the meeting. But in order to approach the answer to the second part of the question, I must say the following: In our country, many think that we can develop in isolation from the rest of the world, thus displaying "jingoism." In turn, in the West also, there is a popular belief that the industrial states are quite able to do without cooperation with the Soviet economy. In London, Gorbachev tried to overcome this notion. The world can no longer do without us today. What happens in our country is not only our problem, but that of the West as well.

In connection with our internal difficulties for the last six months, we reduced the trade turnover with the West by almost 30 percent. As a result, half of the firms from among our partners in the Western world got into a difficult position. The internal situation worsened in the USSR, and many of our plants immediately became the debtors of their Western partners. We are moving toward a critical point, and Western firms are coming under the threat of bankruptcy. We sharply curtailed, by a factor of two-three, the trade turnover with the former CEMA countries, and a large number of enterprises there that are tied to the output of products exclusively for us became paralyzed. The difficulties of Central Europe were transmitted in a chain reaction throughout the world.

I am saying all of this to show: Under conditions of the high degree of interdependence that has developed now in the international economy, significant disruptions in one link of the chain cause interruptions in the entire world cycle.

As President M. Gorbachev emphasized in his interview, the beginning is very promising, the meeting opened a new stage of cooperation, and it must be intensified on the basis of new approaches.

[Kiselev] Did M. Gorbachev succeed in coping with the resolution of this task?

[Shcherbakov] I was present at M. Gorbachev's meetings with the leaders of the 'seven'. All of them in one voice said that the program the Soviet president familiarized them with was extremely interesting. Not one of them said even once that it required more radicalism. To the contrary, the fears expressed were whether we were not being too abrupt. We perceived a special degree of understanding in conversations with the Germans. They declared that only after the difficulties they encountered in the former GDR did they fully appreciate the total scale of the tasks that confront us.

[Kiselev] On the eve of the meeting, the Western press initiated a real campaign to discredit "Gorbachev's plan," which, incidentally, not one of my Western colleagues had even set eyes on at that time. The main object of the criticism was the point concerning, allegedly, the attempt of the Soviet president in London to secure the consent of the West to provide substantial financial assistance. Did this campaign not have an effect on the atmosphere of the meeting?

[Shcherbakov] I think in this case that the Western press was overly zealous in its effort to create a sensation. In London, we did not raise the question of aid at all. We talked about mutually beneficial cooperation.

An enormous shortage has developed in our market. Of course, with time, the market mechanism, through earnings, will remove this problem. But this will occur in two to three years. And so we said: We are ready to activate this work, but you help us with commodities. And the reaction to this statement was normal. Further, we raised

the question on ruble convertibility, which both we and the West need. Otherwise, the development of export-import operations is inconceivable. And we reached an agreement on the question of establishing a stabilization fund.

Thus, item by item, we showed the West our weakest points, and we achieved an understanding that it was specifically in these areas that we need Western support most of all. The dimensions, forms, and methods of this support require substantial study. That is the way the idea arose about establishing a mechanism of meetings of the ministers of finance. On the Soviet side, the president charged me to represent our interests in this dialogue.

The 'seven' agreed with the fact that cooperation with the USSR should take place within the framework of generally recognized international organizations that possess experience in economic reconstruction and pertinent funds. Thus, the question arose on our joining the IMF and the World Bank. But this process is extremely complex. After all, a certain arrangement of forces exists in the world, and each country has quotas. And before we join the IMF and the World Bank, the 156 countries that are members must squeeze themselves a lot to make room. In other words, this process would threaten to drag on forever. Therefore, we came to an agreement with the leaders of the 'seven' that the procedure for our entry into these organizations will be as short as possible.

[Kiselev] Will the entry of the USSR into the IMF and the World Bank resolve the question of stimulating Western investments in our economy?

[Shcherbakov] Unquestionably. After all, it is said that private capital in the West is reckless and flexible, when in fact, it is very cautious. Nobody there wants to risk his money. We conducted an expert analysis which showed that for each $1 million dollars of investment from the IMF and the World Bank there are no less than $10 million of private investments. Thus our membership in the IMF is intended to be a signal for Western private capital, and to convince it that it is possible to enter the Soviet market without apprehension about the future. Owing to the decisions made in London, we are counting on increasing our credit field significantly. And credits are a normal and generally accepted form of mutual relations between entrepreneurs. Thus, we went through this part of the meeting with the 'seven' quite successfully, and the final results exceeded our initial expectations.

[Kiselev] Is is possible to count on reinforcing the practice of meetings at a high level according to the formula "seven plus one"?

[Shcherbakov] I do not think that we earnestly approached the transformation of the 'seven' into 'eight'. Our Western partners have many internal problems, which, for the time being, they prefer to resolve without our participation. But the basis for the meetings to occur regularly according to a "seven plus one" formula, in my opinion, was established in London.

[Kiselev] How do you assess the role of J. Major, the prime minister of Great Britain, who had to perform the difficult duties of chairman of the meeting?

[Shcherbakov] The activity of J. Major as the host of the meeting was one of the sensations. Up until this time, he was not well known to a wide circle of world politicians. Thanks to the London forum, J. Major gained high prestige for himself, revealing the remarkable talent of a leader with a great future. He intends to actively implement his role of coordinator of the processes by which agreement was reached in London, and he plans, in this capacity, to make a series of visits to the Soviet Union by the end of this year.

[Kiselev] What do you see as immediate practical steps on our part to implement the decisions of London?

[Shcherbakov] All of the discussions with our partners came down to one thing: We are ready to cooperate with you actively, but it is first necessary for you to resolve a number of urgent questions. In the first place, this is the relationship of the center with the republics and the preservation of a common economic space. But, second, you must implement a tough program of measures for financial improvement that is prepared by the Union leadership. Thus, the main thing for us now is to put our house in order.

Abalkin: Climate of Confidence Needed

91UF1001A Moscow ARGUMENTY I FAKTY in Russian No 28, Jul 91 pp 1-2

[Interview with Academician L. Abalkin by correspondent N. Zhelnorova; place and date not given: "Put Your Hopes in the West and Do Not Slip Up Yourself"]

[Text] [Zhelnorova] What can we expect from Gorbachev's meeting with the seven?

[Abalkin] We need to gain political support. And that could cost more than specific sums. After all, as D. Mendeleyev wrote, capital is not gold but confidence. If we create a climate of confidence, capital will come to the country by itself, without any pressure or entreaty for help.

[Zhelnorova] To begin with we must create this climate in our own country and not look for it across the ocean.

[Abalkin] Yes, we must do this ourselves. The confidence of our people is the most important thing. This involves a change in political structures and the enlistment for leadership of people who enjoy authority.

In order to develop cooperation with foreign capital we must appeal to their interests. We must show that this is advantageous to them, that we have guarantees and an immense market, and that there is protection for their property.

[Zhelnorova] But this does not depend on assurances or promises but on legislation (on taxes, customs, currency, property, and so forth) and political stability. These are the only things that will open up the borders!

[Abalkin] The president has something to say both about our new laws and about our regime of openness.

[Zhelnorova] At the same time our prime minister, who is not distinguished by a fervent love for the market, says that 90 percent of the new laws do not meet the requirements of the market.

[Abalkin] I do not want to assess the accuracy or correctness of the prime minister's statements. I think that a large number of these laws do correspond to the stage of entry into the market. They are transitional laws, and the laws cannot go beyond the real situation.

[Zhelnorova] You just returned from London, where there was a scholarly conference under the aegis of the European Bank for Reconstruction and Development. Did they discuss our economy there?

[Abalkin] I was struck by the sharp change in the traditional evaluations. Specialists spoke about the fact that haste cannot be permitted in conducting reforms in the East European countries. Caution is needed and we should not throw ourselves into privatization hastily and without thinking—this stage should last five to ten years. There was direct criticism of "shock therapy". They also discussed the fact that one must not underestimate the customs and traditions of the population. But the next day, when they began to discuss the economic problems of the Soviet Union, these same experts made suggestions about the speed and radicalism of the reforms, even though our problems are even more complicated than those in East Europe.

I think it is impossible to develop a realistic program with the help of Western experts without the participation of Soviet specialists. The problem is not to draw up one more program but to carry it out.

[Zhelnorova] Was the "Agreement on a Chance" program discussed there?

[Abalkin] The attitude was skeptical. This is a scholarly paper which contains new and original things. Nine-tenths of it coincides with the Pavlov program, and its new idea is a countermovement and joint actions with the West. But this idea initially presupposes the agreement of both parties. But so far none of the serious political leaders of the West have supported this idea.

[Zhelnorova] Can we really make our way out of the crisis on our own?

[Abalkin] It would be difficult. This is a question of the price society is prepared to pay for recovery. I am in favor of reduction of the social price and, consequently, in favor of cooperation.

[Zhelnorova] Over there we have the 'seven' and here we have the 'nine', but where is the ace that could bring the country out of its crisis?

[Abalkin] The search for the "ace" is our traditional longing for a great leader. It is difficult for us to let go of our ideas and understand that today the way out is not personified in one individual but is embodied in social harmony.

In principle (and this has been proved) democracy is not an ideal system. But nonetheless we have chosen this path, and God forbid that we stray from it.

[Zhelnorova] We have had many programs, and it has not been a matter of their shortcomings but the fact that behind each of them stood political forces. And now, when selecting a concrete program, are we sure that these forces will not block a program that is not "their own"?

[Abalkin] This is the circumstance that forces us to accept programs that are not the best, not the ideal ones, but those which can provide harmony and the support of the major political forces and can find compromise among them.

[Zhelnorova] Now, after Novo-Ogarev, we have relative peace. But what will happen both to the programs and to international aid if our presidents start opposing one another again?

[Abalkin] Chaos and bloodshed.

[Zhelnorova] Do the 'seven' not have a desire to scoff a little at the superpower that is down on its knees before them?

[Abalkin] If you mean the leaders of the 'seven', I do not think a single one of them has any such intention. They are absolutely decent people. But if you are to speak of public attitudes in the West, such a thing cannot be ruled out.

[Zhelnorova] Having agreed to grant aid, will the 'seven' dictate their conditions to us: Cut arms expenditures or make our financial policy more stringent?

[Abalkin] These are not their demands. We specialists are demanding this of our political leaders more and more persistently and categorically. These are the requirements of common sense. If we do not eliminate our budget deficit, if we do not stop printing money, nothing in the West can help us or save us.

[Zhelnorova] Does this mean that we are hoping in vain for help from the developed countries?

[Abalkin] Fairly large investments may be made in our economy only by private capital and banks. State resources are determined by the budget, and that is comprised of taxes on the population. We cannot count on having the Americans or the French finance our public health or education.

One of our main tasks is to join the International Monetary Fund. If the Group of Seven support the Union's entry into the IMF, this will be political support for our reforms.

[Zhelnorova] Will our grandchildren not have to pay for this aid from the West, for our sloppiness?

[Abalkin] We have already been paying for our sloppiness for a long time. If we are not wise and if we make decisions without consulting professionals, we will continue to pay. When Western capital poured into Japan and South Korea, it was not a matter of who would be the winner because everyone won. Both these countries and the ones that invested the money.

[Zhelnorova] In your opinion, when will we see a marked improvement in our economy?

[Abalkin] The situation will improve in the next year or year and a half. The main thing is not to sow illusions. There is no magic potion, including foreign injections, that will improve the situation. It is unrealistic to expect a general improvement of the situation before the fall of next year. We will see a marked change in the situation—with immense efforts—in about five years.

Panel Discussion on Meeting

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["Frankly Speaking" program with Yevgeniy Maksimovich Primakov, member of the Security Council; Vadim Andreyevich Medvedev, senior adviser to the president; Vladimir Ivanovich Shcherbakov, first deputy prime minister; and Academician Stepan Aramaysovich Sitaryan; presented by Dmitriy Dmitriyevich Biryukov]

[Text] [Biryukov] Hello, comrades. Our guests in the studio today are the people who accompanied the president during the Big Seven meeting in London. Let me introduce them: Yevgeniy Maksimovich Primakov, member of the Security Council; Vadim Andreyevich Medvedev, senior adviser to the president; Vladimir Ivanovich Shcherbakov, first deputy prime minister; and Academician Stepan Aramaysovich Sitaryan.

Well, this composition predetermines the theme of our discussion, that is, the results of the Big Seven. If I may, I will begin by asking on behalf of the viewers what in general was the significance of this meeting.

[Primakov] You are asking me this question?

[Biryukov] I can put it to you.

[Primakov] The significance of the meeting obviously lay in agreeing upon, if you like, some synchronized movement to help the integration of the Soviet Union in the world economy.

[Biryukov] Inasmuch as I myself was at the time in London together with the television team I felt that a great amount of preparatory work had been done by the various sides.

[Medvedev] For our part there had been the fundamental preparation of our outline concept for the meeting. There had been discussions and consultations on every problem and every possible turn in the discussions at the Group of Seven with scientists, the heads of our economic departments, and prominent representatives of the national economy. In general our president was well equipped for this meeting with a general outline concept on issues to be raised and with specific proposals. There was no shortage of these at the meeting.

[Primakov] In general one should say that there was probably an unprecedented onslaught of brain power prior to the preparations for this meeting because, as Vadim Andreyevich was saying, there were all these meetings in Moscow, and Vladimir Ivanovich and I visited the United States. Yavlinskiy was there together with us, and Grigoriy Alekseyevich [Yavlinksiy] had meetings there. Then there were other trips and meetings with so-called sherpas.

Let me explain for our television viewers that sherpas are representatives of a tribe in Nepal that act as bearers and carry things on their shoulders and backs up the mountainside, assisting in mountaineering.

Well, we had meetings with these people who had been specially entrusted with the work by their heads of state and who had prepared this meeting. However, the chief thing really in all respects was the various programs, supplements to programs, and so forth, and mainly there was, of course, the Cabinet of Ministers program, which was supported by the republics. There were others, for instance, there was the Harvard program, and there were some additions from Attali, who is president of the European Bank. The International Monetary Fund responded with its recommendations. The president was in general very well equipped. It seems to me, however, that you must know what the president is like. Moreover, all this was given to him but, in the final analysis, he sat down and worked himself on this whole stack of programs and he arrived very well prepared, so to speak.

[Biryukov] Incidentally, if I may, Stepan Aramaysovich, please explain to our television viewers the concepts Yevgeniy Maksimovich has just used: the IMF, the Bank of Development. What will this give us in the course of joint work, so to speak?

[Sitaryan] It is clear that while setting ourselves the task of joining world economic links and the world economy, we cannot confine this task merely to establishing trade or economic relations. Now the state of world trade, investment policy, and technical and economic assistance is determined largely by major economic and financial organizations such as the IMF, the World Bank, and the recently set up European Bank for Reconstruction and Development [EBRD]. These are very

powerful organizations from the financial point of view. They have at their disposal sufficient financial and hard currency resources; an enormous experience in rendering technical assistance they invest in certain countries significant resources aimed at developing their economy; and they support and maintain certain projects. That is why cooperation with these organizations is an integral and inalienable part of this program of ours which envisages a planned and organized entry into the world economic links. Nor is it a coincidence that both in the preparations for the visit during the discussion of the problems at the meeting itself such great significance was attached to the issue of our participation in the IMF.

[Biryukov] As far as I know, Gorbachev's program was sent to the G-7 leaders earlier. But the fact that you arrived several days earlier—did you come to provide explanations, or to elucidate what we would have to encounter?

[Medvedev] I must make things more precise. The document President Gorbachev sent to his G-7 counterparts is not a program, not a new program. It is a personal message, setting out the concept of our participation in the G-7 and, to place it in a broader context, a concept of the Soviet Union's organically joining more fully the world economy.

[Sitaryan] So, it does not negate, and you cannot altogether regard it as ranking with the anticrisis program, because it is underpinned by it. This was a concept of the USSR's joining the world economy.

[Biryukov] It seems to me that what is very important here is to note the political support for this program. You participated in these meetings and talks. What was the atmosphere itself like?

[Primakov] Well, to begin with, let me say a word or two on our ideas contained in them. Of course, if we are moving toward the market, we cannot move toward the market on a self-sufficient basis, separating ourselves from the world economy—that would simply be ridiculous. No such movement toward the market can exist. On the other hand, we understand that generally the world economy cannot exist as a global economy if a significant part of the world, one sixth of the world—the Soviet Union—is absent from it. So, there is a common interest in this.

Likewise, the West's political interest in our participation exists, it seems to me, because certain positive processes have developed in the political area. Among them are the cessation of a number of conflicts, a growth in trust, and the start of the process leading toward arms reductions. Incidentally, the decision to the effect that an agreement on strategic offensive arms will be signed, something that opens the path toward President Bush's arrival in Moscow—he will be here at the end of the month—coincided precisely with our stay in London. All this took place, but all this can prove to be reversible. Let us call a spade a spade. Thus, in my view, the fact that we are experiencing difficulties may prove to be reversible, because there are forces that want to make use of our difficulties. [sentence as heard] If, however, we are joining, organically joining the world economy, this makes all these processes more stable and, to a significant extent, provides a guarantee that they will not be turned back and undone. In this regard, the West was also interested in this.

[Shcherbakov] I think that what Yevgeniy Maksimovich said may well be not so unequivocal, because he is actually talking about the concluding part of the G-7 meeting itself and the predominant topics there.

But when we arrived there on the 12th, we sorted out for ourselves three viewpoints, I think, on this process from the newspapers and from our encounters. The first viewpoint, which, incidentally, had not perhaps even dominated our conversations so far because we were meeting at the level of sherpas, correspondents, advisers, and then, of course, the talk is more polite, they are always feeling for one's position, but it seems to me that the first reaction was this, and the main question that they asked was: Why should we in fact help the Soviet Union? We have East Europe, primarily Poland, Czechoslovakia, and Hungary. They have gone more seriously down this road, so let's concentrate our help there, and then later, if it works out, give it to the Soviet Union, as well. In general, if we are to help the Soviet Union, then it is more thanks to the fact that difficulties have arisen in East Europe, and so they can be resolved via the Soviet Union.

The second viewpoint was such that, in general, we need to sort out where the Soviet Union is going. There is already the eighth or ninth program, so, are you heading for a market in your country, or is it another program, or are you already on your way? So there was a desire to put things more or less like this: let the Soviet Union go its part of the way, we will look and see where it gets to, how radically it is going, and then we will decide whether to help or not. As a result, perhaps—well, of course I'm not putting it all down to our work, that would be naive—of the exchange of views and of the very concentrated work with everyone, in the final analysis, as G-7 itself...[Shcherbakov changes thought] Yevgeniy Maksimovich here was the only one that got admitted to the room, so he knows all about the details.

[Primakov] No, not the only one, I was accompanying the President!

[Sitaryan] He was the only one from the entourage.

[Biryukov] All the same, if I may, I would like to return to this—you have used the word help in three senses, after all. What kind of help do we need, in what forms do we need it? There has been a lot of speculation, about financial aid, with enormous sums of 200 billion [currency not specified] being mentioned, or technological aid. How do you see this, what channels?

[Shcherbakov] You know, in general, from day one we said that we were actually going there not to request

assistance, and all the more not to ask for money, we were going in order to propose a completely new level of cooperation, mutually beneficial, very deep and broad.

[Medvedev] And neither the personal message from the president nor what he said verbally named any figure, or mentioned that here or there it was necessary to make this or that allocation, there was none of that.

[Shcherbakov] In general it is clear that we did not go in order to ask for money or to ask for any special assistance. The question was this: We want to show you that both you and we need cooperation, that's the first thing. Second, we absolutely have to move in this direction, and in this sense, the iron curtain that we had been living behind could only be raised from the two sides, that was a basic point. This deal was not possible from just one side. And if you agree with the global statement of the issue, then let's see how we can cooperate to mutual benefit. A step in each other's direction, that was the basic [word indistinct].

[Sitaryan] It must be said that there existed what I would call a somewhat oversimplified kind of model of the forthcoming meetings: It was alleged that the president was going to have an outstretched hand and that the G-7 would arrive carrying sackfuls of goodies and the meeting would show whether or not they would loosen their purse-strings. This was a deliberately mendacious concept. Not one person from among those who soberly and realistically appraised the forthcoming meeting had, or has such expectations.

[Primakov] There was yet another concept on the eve of the meeting and it should, I think, be mentioned, too. It was that many people were asking in the press, in our country too: Well, the West will be appraising our position according to how radical the proposed reforms are. If they are highly radical, they will fork out; if not, they will not. That is the way this question was put. Right up to now it is being put this way, and it is an absolutely false way of putting the question. I want to say, indeed, as Vladimir Ivanovich has mentioned, I had occasion to be with Mikhail Sergeyevich during the G-7 meeting, on the inside and I heard all the speeches and I must say that there was not a single remark about the inadequate radicalization of the measures Mikhail Sergeyevich proposed. Not a single remark was made by any leader of these states. It seems to me that they were very impressed by this way of putting the question, the way it was put, the president's speech: That radicalism absolutely clearly depends upon a realistic comprehension of things in our own country; that radicalism may stretch up to a certain point, beyond which the course, the whole course, begins to be put in jeopardy. Well, in these conditions it was very interesting when they were talking of privatization, for instance. President Gorbachev said there can be no question about some kind of fever-pitch pace of privatization during which we would force all collective farms into privatization, as we did during the time of collectivization. This way of putting the issue was completely understood by everyone, and it was especially understood by the British, because the British themselves de-nationalized 17 percent of industry in the space of 12 years.

[Biryukov] And what about the Germans? What was Kohl's reaction? And Mitterrand?

[Primakov] Mitterrand—both Kohl and Mitterrand—more than that, Mitterrand said that as a socialist he understood that generally it was necessary to combine the measures of private enterprise with measures of state regulation. This made many other participants wince, but, all in all, that is the way it was, it was said by Mitterrand, and Andreotti, too, subscribes to these views and so on.

[Biryukov] But were any definite conditions for the development of cooperation discussed? For example, a unified economic space, a currency union, were they discussed?

[Sitaryan] Yes, such questions were raised, in general, and I must say that the West is, after all, concerned about these matters. And my feeling, from my encounters and conversations and so on, is that they are very worried about the future political arrangement. Not only from the political point of view, one could understand that, especially the Europeans, but also, in particular, from the economic point of view. Why? We are offering a broad field of cooperation. We are offering partnership. They are asking: With whom? They cannot imagine the changes that are taking place. Regrettably, they too still have inertia in their thinking, and they cannot understand that today there does not exist this unitary state, with its centralized structure of foreign economic activity and currency activity, and that state cannot exist in the future, of course. We are coming into world economic ties in quite a different way, that our country is now different, and that in future the republics, the enterprises themselves, and the regions will play a substantially different role. And we tried to explain this. But all the same, they raised the issue: Who are we to deal with?

[Shcherbakov] And all the same, in the economic context, their main question was—test question one: Do you have an economic union, not partitioned by internal barriers? Yes, we do. Second question: Do you have a federal tax? And it was depending on these two questions that the conversation proceeded further.

[Medvedev] Incidentally, this figured as the main topic in bilateral meetings between Mikhail Sergeyevich and the G-7 participants. It seems to me that probably the main achievement of the meeting in London between the president of the Soviet Union and his colleagues is the recognition of the principle of two-way movement. We are moving toward the world market, and as Yevgeniy Maksimovich has correctly emphasized, our partners have an interest in this; but our partners, for their part,

are moving toward us, and creating the necessary conditions for this, eliminating obstacles and artificial barriers, of which there are, unfortunately, still quite a lot, both in international trade and in the movement of capital, and so on. Among other things, Mikhail Sergeyevich sharply raised the issue of abolishing the Cocom restrictions and certain other such measures of a discriminatory nature, and of switching to a most-favored status in economic relations. So we are moving their way, we are reorganizing our foreign economic mechanism. We have the intention of moving at an accelerated pace toward a convertible ruble. We are creating the guarantees, the necessary conditions for foreign investments. We are offering a whole package of measures, and they have met with very great interest. [passage indistinct as several speak at once]

Yes, I will finish now. It seems to me that this movement to meet half-way may be fruitful. It is precisely what is needed, organizationally, too, the Soviet Union joining international economic organizations and the setting up of a defined mechanism of cooperation with G-7. You know, earlier on, when we held meetings here with the representatives of foreign powers, all the time the talk was of the G-7 session—well, the G-7 was debating their own issues and it is as though the meeting with the Soviet president was conceived as being even outside the agenda. But now that London is already behind us and you look at it with hindsight, London is not simply the 17th meeting of the seven states—it will go down in history first and foremost for the fact that it was the first meeting with the USSR president, one that laid the beginning of a new stage of our economic cooperation with the West.

[Primakov, interrupting] (?Vadim Andreyevich), it seems to me that our economic program of course impressed them; to be more precise, our economic concept, set out by the president, but, at the same time it seems to me that for the sake of objectivity it must be said that we had received a credit of trust even earlier—a credit of trust as a result of our policies over the past few years. And this also played a part. The matter did not just revolve round some kind of purely economic arrangements which impressed, or failed to impress the West. This, then, is one aspect. And then, of course, we were naturally far—both as far as the process of preparations and the meeting itself are concerned—from blackmailing anyone, from saying that you must do this, for, otherwise, this, that, and the other will happen—this was fanned up more by the newspapers, as it were.

[Biryukov] What did you do for them to call you what they did? [laughter]

[Primakov] Well, I, you know, it was very interesting for me. I gave an interview for the BBC and this is what I said. I...they asked me to give some example of a movement to meet each other half-way. I said okay, I will give you such an example. Well, we shall be implementing liberalization of prices. Without this liberalization we cannot, practically, move toward the market. So, this is perfectly clear. But how is it to be implemented, in what conditions? Either in the conditions of a total shortage and empty shelves, as is the case now, or else in the conditions of commodity intervention from the West which will underpin us, as it were, and which will create some cushioning of the prices.

[Medvedev] Such an intervention, in this case, is not a bad thing, but a good thing.

[Primakov] Well good, it is always good when goods are available, intervention or no. But I said that if prices are freed, they would inevitably go up. In conditions in which there are no goods, this can lead to a social explosion. And this is, indeed, the case. Well, from this the conclusion was drawn that I was blackmailing them. Well, all right, we shall let it pass.

[Biryukov] Okay, we can infer, even from our conversation—to say nothing of the large amount of information about the meeting—that we have received support; we will go for economic reforms. We have become, I think, associate members of international organizations for the time being.

[Primakov] Not yet, but we will.

[Medvedev] Everything is still ahead of us.

[Sitaryan] This issue is ahead of us, it will be discussed and resolved.

[Biryukov] It has been decided beforehand, yes, but what I am driving at is that ours is a very stormy life indeed and an ever greater distance will separate us from London, but when will we see the practical results, and are there already, maybe, some specific programs?

[Shcherbakov] Listen, it is a very interesting question: what results of London can be seen in our country?

[Biryukov] And our people [words indistinct].

[Shcherbakov] Gorbachev returned on the 19th, but if everyone thinks that from the 23rd onwards the shops will see the appearance of, first, British and then German goods, then all this is nonsense. We can see the results of London only in this—that we, ourselves, begin to work in a different way. It is, after all, no coincidence that three standard questions figured at all in the meetings. The first question was about the mutual relations between the center and the republics. The second question was about the way we manage our finances at home. Moreover, when we were meeting the finance ministers during a supper and our conversation went on for three and a half hours or four hours and everyone sitting here was present at it, the issue all the time revolved around one thing: We are ready to cooperate with you, but you must put your economy in your country to rights, because you are on the brink of hyper-inflation. If you think that some crazy person in the West will agree to have his money devalued in your country, then this is simply naive, as it were. That is why the second question on the country's financial state was always there. And the

third question was about the balance of payments, hard currency, but it was always less poignantly put. That is why I think that we will be able to see the main results of London when our own measures which we set out before the G-7—we had not fully brought them into play, desiring, simply, to discuss them yet again and make sure we are proceeding along the correct path—they must be brought into play forthwith.

[Primakov] Nonetheless, I would say, all the same—so that our TV viewers should not gain a somewhat distorted impression that everything was confined to purely political support—I would want to dwell on some tangible results in the economic sphere which are at hand following the G-7 meeting. The first aspect is the Soviet Union's associate joining of the IMF and the World Bank—this is, practically, an issue that has been decided beforehand, because the policy is determined by the G-7. This will give us a great deal, by way of technical assistance and, if you like, intellectual assistance. We need to receive such assistance and so on during the setting up of market structure.

[Shcherbakov] It is the central thing, after all, we regard the inflow of capital...

[Sitaryan] Nonetheless, it is, all the same [words indistinct]...

[Primakov] Yes, the second aspect is the intensification of technical assistance. This has been planned and will take place. The third aspect is the activization of all international economic organizations, the G-7 appeal to them, including the two I named and also the OECD and the European Bank and so on. Finally, apart from that, I think that, all in all, the fourth one is the most important aspect. After all, the scale of this private capital which will move to the Soviet Union practically depends on whether or not the G-7 is going to give the go-ahead on investments.

[Medvedev] I want to quote a detail here, in this context. During his meeting with the Canadian prime minister, Mulroney gave Mikhail Sergeyevich a cutting from a newspaper, FINANCIAL TIMES I think it was. It said that (Reichman), the well-known North American millionaire...

[Primakov] Billionaire..

[Medvedev] Even a billionaire, yes, yes, I mean, a decision was taken to set aside and invest $1 billion in the development of new deposits in the north and east of our country.

[Primakov] Oil deposits.

[Medvedev] Oil deposits. I do not want to say that well, here you are, handed a billion on a silver plate, but it is a kind of, well, a sign which shows changes, positive changes in the mood of the business world. So, I think that the results will come about, albeit slowly...

[Sitaryan] Nevertheless, I would not exaggerate them.

[Medvedev] [words indistinct as all speak simultaneously] a more propitious climate for relations to develop.

[Sitaryan] Vladimir Ivanovich, the present situation ought to be used properly so as to call upon everyone to rely on their own resources, of course...

[Shcherbakov] Of course, this, too, but to be consistent, the G-7 did nevertheless untie many political knots and opened up an opportunity for more serious cooperation in the sphere of the economy. However, all the steps are only ahead. [words indistinct]

[Sitaryan] We depend upon what, specifically, we can have on offer. For instance, we intend to embark on a path of ruble convertibility and many foreign banks and, in particular, the European Bank, are ready to cooperate with us in this area. But, before cooperating, it must have a look at our action program. It must make clear where and how it can take part in this cooperation. Here it is not just appeals—like come, cooperate and so on—that are needed, but what is needed is some kind of a specific program which would attract appropriate partners. The question of our indebtedness, its fate and the prospects of paying it off also arises. It is not a simple issue. And all the time the West is asking us and we reply that up until now we have been guided by this—that debts must be paid. We have been and will continue to pay. But another thing is also clear: In conditions of a sharp worsening in the country's hard currency situation and a reduction in the hard currency revenue, timely and full payment for our debts—and this we will be doing—does, naturally, narrow down our import potential. This means that the tackling of this question must be commenced, too, and that solutions of one kind or another will have to be found. This issue can and should be a topic for specific discussion. The West is now open for such discussions.

[Medvedev] This question did not figure in this [word indistinct] form.

[Sitaryan] But it was open.

[Medvedev] The opportunities for approaching things and searching for ways and means to find a path toward resolving this problem, which is complicated to us, are very poignant and essential. I do not think that these opportunities get bigger.

[Biryukov] And now, by way, as it were, of summing up all the information I and our viewers heard in this conversation, what is the reality of the seven plus one formula, the things they discussed in London?

[Primakov] Well, this formula exists in reality because it...

[Biryukov, interrupting] Could it become the group of eight?

[Medvedev] I think that this process of addition may occur more quickly than many people are saying in the

press. Incidentally, different viewpoints are being expressed. Here there are distinctions and nuances in the positions of individual states. The process of addition ought not to be protracted and the Group of Seven needs to be transformed into the Group of Eight as fast as possible.

[Sitaryan] I would not rush ahead with this formula. It is necessary here to look at things very calmly and realistically. However the fact in itself that the formula seven plus one has appeared is an enormous political and economic step forward, and the task currently is to make maximum use of this opportunity. In respect to how the subsequent process will go, let us hope for the best development and quick development, but to engage now in speculation on when and how the formula seven plus one will become eight is in my view like telling the future from the coffee dregs. That at least is my opinion.

[Biryukov] The process, however, has begun.

[Primakov] Well, if this process provides us with coffee, I am ready to tell the future from the coffee dregs. [laughter from the others]

[Biryukov] Vladimir Ivanovich, you have yet another opportunity to emphasize that first and foremost it is necessary to work well at home.

[Shcherbakov, laughing] It is not that I want to emphasize something again, but it is simply that I have always been convinced, and simply that I have been convinced yet again at all these meetings, that unless we ourselves put the country in order—I am not speaking here of a dictatorship or a return to old methods but am speaking of the fact that in any country the economy must be in order—if we do not put our own economy in order it is naive to think that the Group of Seven, the Group of Eight, or the 156 countries belonging to the IMF will give us something in this respect. They are ready to extend assistance to us in the sense that this assistance is also of benefit to them.

It is not charity or mercy for a beggar who is standing on a street corner. It is mutually advantageous cooperation. Stepan Aramaysovich touched on the issue of our foreign indebtedness, for instance. Not everything is all that simple here. During talks we explain each time. Let us say that we owe approximately 65 billion [currency not specified]. Out of this sum, approximately 20 billion is guaranteed by the Bank for Foreign Economic Affairs and the state, and never have we missed even a single repayment of these debts. As for the remaining 40 billion, this was incurred by our enterprises and through the ignorance of Western firms, this is how I would put it. They have become accustomed to not having to check the creditworthiness of Soviet enterprises—the entire 100 percent will be guaranteed by the state. A rather paradoxical situation has now developed: Our people have taken delivery of the goods, and they have nothing to pay for them. It is not a matter of the president's tax, as it is now called, although of course it leaves its mark here, too. The point is that we have an altogether different scheme of work in our country, domestically, whereas it has remained what it has always been where Western companies are concerned. Will it, indeed, be the West that will step in to resolve this matter for us?

[Biryukov] For me, personally, from my viewpoint, the London meeting has yet another side effect. In the course of the whole discussion and analysis we began to have a better feeling for our own problems.

[Primakov] If, for instance, you talk of the foreign economic mechanism, it requires a most serious improvement in our country. One must deal with it directly because I am very worried that a situation may come about when the G-7 comes up against a bureaucratic wall when it does begin to work—and it will begin to be active in certain spheres now. I have in mind a bureaucratic wall of unpreparedness and our inability to adapt to new conditions. That is indeed why a great deal of attention must now be devoted, of course, to modernizing and improving the new structure, if you like.

[Biryukov] I would like to ask yet another question, precisely because you were in London. There is always something that remains invisible to the eyes of outsiders, even such attentive outsiders as journalists or television reporters. That is why I would like to ask you about the atmosphere in London during the meeting and during the bilateral meetings.

[Primakov] I must tell you that the Soviet leader's speech was received with a maximum of good will and maximum support and, when opening the session, Major stated outright that for us, it is—I do not want to use this word, I would not like to use the word historic, because it has, all in all, been rather abused—but, for us, it is an historic moment, he said. Generally speaking, a kind of new epoch is in our relations. The questions that were asked and the appraisals given to the Soviet Union's and its leadership's activities over the past few years alike, all this absolutely bore witness to the fact that the atmosphere,—I would put it this way—that the atmosphere, if you like, was absolutely one of trust, warmth and comradeliness. This, you know, is a reflection of the way in which the world sees us today. After all, they, too, are pleased to meet around that table where they can speak with such openness. This is because earlier they would meet around negotiating tables in an atmosphere of uncertainty: Will a war start, or will it not, will a wild confrontation begin, or will it not, and so forth. This is in itself a watershed moment.

[Sitaryan] While appraising this meeting one must bear in mind that it is as though the ground for this meeting was logically prepared by the entire course of the active, bilateral work conducted in the last few years. Moreover, there is no doubt that this bilateral cooperation, which broadened and deepened, especially in the last two years, created precisely the atmosphere that developed in London.

I would also like to draw attention to one more aspect. I would like to reiterate that the West and the journalistic

world are worried about our identity and with whom they should be dealing. The fact that the president's arrival in London, or, to be more precise, that the president's arrival in London was preceded by the meeting in Novo-Ogarevo and that he spoke not only as the president of the Union but that he also had a mandate from all republican leaders—this undoubtedly on the one hand strengthened the position of the president himself and, on the other hand, it enhanced the credit rating given by the Western partners to what the president was saying, because this issue, from my viewpoint, worries them very much not only in the political but also in the economic respect, and we must take it into account.

[Primakov] By way of confirming what was said, I would like to say that almost all the questions addresed to the president—at any rate, the overwhelming majority of these questions—concerned future relations between the center and the republics.

[Sitaryan] Yes.

[Primakov] And one feels that they want—that they oppose the disintegration of the Soviet Union.

[Medvedev] It appeared to me that the G-7 participants are rather unanimous in their support for Gorbachev and his policies and this includes the Union and republican issues, something that has already been mentioned by comrades here. It is likely that there were some kinds of nuances in their positions with regard to a split resulting in three or four states, or in something else. But, you know, the dialogues at the meeting itself and where bilateral relations are concerned were very businesslike, very constructive, and very much geared to cooperation, I would say.

[Primakov] He, too, conducted the dialogue in such a way that it was difficult, as it were, to adopt an ultimatum-like tone. It was, naturally, a conversation absolutely between equals. It could not have been otherwise, it could not have been any other way. And it was a conversation that did not make it possible, that provided no opportunities for any kind of demands or ultimatums to be squeezed in. This could not even be contemplated.

[Shcherbakov] Do you remember the conversation with Bush, when our president bluntly asked Bush a question: Well then, my friend George Bush, will he, all the same, show his political line and help cooperate with international organizations? This is because, after all, the future conduct of the European Bank and the future conduct of the World Bank depend on Bush's say-so, on Bush's political support, because the Americans are in the majority there and nothing serious can be done there without them. After all, before this our conversations were one thing, while the actions on the part of financial circles, those in the United States, at any rate, were a little bit different. It is only such direct conversations—a blunt question and a blunt answer should be forthcoming in a tete-a-tete situation—that make it generally possible to change the situation. Nevertheless, not everything was so rosy there, I would not idealize this part of the proceedings, although in the end everything ended well.

[Primakov] There are, of course, those who are not interested in our development. There are those who are not interested in our joining the world economy. There are also those who will strive to impede this. That much is perfectly clear, and we must not remain blind to such possibilities. However, in principle, it is not a window but a door that was opened there and it is of great importance. It was not a window or a fanlight into which we must squeeze, as it were, but a door to get the process off the ground. This process will develop. I am confident it will be developing. A great deal naturally, as Vladimir Ivanovich states correctly, depends upon us, ourselves.

[Biryukov] In common with every anchorman, I have one duty that is none too pleasant: to keep an eye on the clock. That is why I wish to stress that this is the first major broadcast following the London meeting, the first one, although this topic will surely be continued. All that remains for me to do is to thank you for taking part in this broadcast. On behalf of the viewers, thank you.

United States & Canada

Preview of Bush-Gorbachev 29 Jul-1 Aug Summit

Announcement of Visit

LD2607140791 Moscow TASS in English 1352 GMT 26 Jul 91

[Text] Moscow July 26 TASS—President George Bush will pay an official visit to the Soviet Union from July 29 to August 1, 1991 at the Soviet president's invitation, it was officially announced here today.

The signing of the treaty on the reduction and limitation of strategic offensive weapons is scheduled for July 31.

During the visit, the Soviet and American leaders will hold talks on a broad range of international and bilateral issues.

Schedule Detailed

LD2707133191 Moscow TASS in English 1315 GMT 27 Jul 91

[By correspondent Konstantin Voitsekhovich]

[Text] Moscow July 27 TASS—U.S. President George Bush arrives in the Soviet Union for an official visit on Monday evening.

The official welcoming ceremony will be held on Tuesday in the St. George Hall of the Grand Kremlin Palace and will be followed by one-to-one talks between President Mikhail Gorbachev and Bush at the palace's Catherine Hall.

Simultaneously, Soviet Foreign Minister Aleksandr Bessmertnykh will have talks with U.S. Secretary of State James Baker.

After one-to-one talks, the presidents will be joined by their advisers for more talks.

The agenda of the talks consists of six key issues, including arms control, bilateral relations, economic cooperation, regional issues and humanitarian and transnational problems.

Bush and Gorbachev are expected to focus on economic cooperation and regional problems, Gorbachev's spokesman Vitaliy Ignatenko told reporters on Tuesday.

The presidents could also discuss further reductions in strategic nuclear arsenals following the signing of the strategic arms reductions treaty.

After talks, Gorbachev and Bush will have a working breakfast, followed by a walk about the Kremlin.

On the same day, Bush is expected to speak before the Soviet public, meet Russian President Boris Yeltsin and, together with Gorbachev, visit the workshop of artist Eduard Tsereteli.

In the evening, Gorbachev will host an official dinner in Bush's honour.

In the morning of July 31, Bush will have a working luncheon with Soviet business representatives. After that, he will go to the suburb of Novo-Ogarevo for more talks with Gorbachev.

The visit will be capped by the signing of the Soviet-U.S. Strategic Arms Reductions Treaty in the Kremlin in the afternoon.

Under this unprecedented agreement, the Soviet Union and the United States will slash their strategic nuclear arsenals by 30 percent.

Gorbachev and Bush are expected to hold a joint press conference after the signing.

On August 1, Bush will fly to Kiev. From the Ukrainian capital he will fly home that same day.

Churkin Interviewed

LD2607131691 Moscow All-Union Radio First Program Radio-1 Network in Russian 1230 GMT 25 Jul 91

[Interview with Vitaliy Ivanovich Churkin, chief of the Foreign Ministry Information Administration, by Viktor Nikolayevich Levin; from the "Viewpoint" program]

[Text] [Levin] Hello, comrades. We are on the eve of a very big, important event in international life: I mean the Soviet-U.S. summit, which is coming up next week. As you know, U.S. President George Bush is coming to Moscow. There will be very thorough talks with Soviet President Mikhail Sergeyevich Gorbachev. There is no doubt today that the treaty reducing strategic offensive weapons will be signed, but there will also probably be very important discussions on the future of our relations.

Vitaliy Ivanovich Churkin, chief of the USSR Foreign Ministry Information Administration, is participating in today's program. In the first place, Vitaliy Ivanovich, I would like to ask you to describe the present level of Soviet-U.S. relations, in light of the forthcoming summit [preceding word in English], as the Americans say, and as even very many non-English speakers now say.

[Churkin] In Russian it means meeting at the highest level, which is rather longer than in English. Indeed, an extremely important, interesting event in Soviet-U.S. relations is now coming up, an event for which we have long been waiting, not only in our two countries, but throughout the world, since it is obvious that the nature of Soviet-U.S. interaction and relations has a significant bearing on the general international atmosphere. The fact that we have managed to overcome the cold war and are succeeding in gradually jettisoning its legacy is explained in no small measure by the breakthrough that we have managed to achieve in Soviet-U.S. relations in recent years, over a succession of several meetings between President Gorbachev and U.S. leaders.

At the same time, I feel that a correct description of Soviet-U.S. relations has to include two elements. On the one hand, a great deal has been achieved—I think we will have the opportunity to talk about this in greater detail today—both in the sphere of disarmament and in regional and bilateral problems. And yet there is also the aspect concerning the possibilities, the enormous potential of Soviet-U.S. relations which has not yet been activated. I feel that what distiguishes the present moment is the very fact that we have reached a plateau from where we can survey a wide area of what we have already done and have a look at where we can move on to, starting from this fairly hight point to which the two countries have managed to climb. I think that, starting from this point, there will be a serious, principled discussion between the two presidents at the meeting in Moscow—in part, it was already started during their recent meeting in London—about where Soviet-U.S. relations can move on to from here, what we can expect of them in our two countries, and what the world can expect from the further development of Soviet-U.S. interaction.

[Levin] Vitaliy Ivanovich, I would like to ask you straightaway to explain and clarify an aspect of Soviet-U.S. relations. Unfortunately, in this country you can now hear quite often the opinion to the effect that Soviet foreign policy in the period of perestroyka has been a policy of concessions to the West; some even call it bluntly a policy of concessions to the imperialists. Soviet-U.S. relations are probably the key to relations between the Soviet Union and the Western powers, although I am in no way planning to raise these relations to a special height, because our relationship with each country is unique and develops in its own fashion. Nevertheless, of course, by virtue of the weight which the United States and the Soviet Union have in the world, they are very important.

So, the question arises,—and I don't think it will be a bad thing to give a clear, precise answer to this question—Are we building our present relations with the United States on principles of equality, or are we really making concessions that are not in keeping with our state interests?

[Churkin] I believe that in the wording of your question the second half is particularly important. I feel that when there are very broad relations on many levels between two countries, as is the case in relations between the Soviet Union and the United States, when very important agreements are being worked out in many spheres, particularly in such a sensitive and difficult area as arms reduction and disarmament, particular compromises are possible, and in some individual cases each side—I stress, each side, because it can only be a two-way process—can make particular concessions in the process of negotiations.

What we are talking about, however, is particular concessions which might have conflicted with national interests or undermined certain basic foundations in one country or the other. Well, it is clear—at least, it is clear to me, though there might be some doubters, I don't know—that the internal processes going on in our country are by no means taking place as a concession to the West. That would be an extremely simplified and, I would say, naive perception of those processes. Everything that is taking place in our country is in accord with our historic requirements or, if you wish, our ability to respond to the historic challenges facing our country and our people at the beginning of the final decade of the 20th century.

Soviet foreign policy with regard to other countries including the United States has very effectively, I believe, pursued the aim of creating the most favorable conditions for the very complicated transformations taking place in our country. So, to return to the question, of course there have been talks, of course there have been concessions by each side on certain details, but I believe that Soviet foreign policy has always kept sight of the chief task, which is to defend the national interests in the broadest sense. An objective analysis of Soviet-U.S. relations in recent years shows that it has been given the prominence it deserves.

[Levin] A specific example of this is the treaty that has now been prepared on reducing strategic offensive weapons. We all know that the process of preparing the treaty was long and agonizing, it must be admitted, and very difficult. At the final stage frequent complications arose and here, naturally, it was difficult to find mutual understanding on all questions. But in the end mutual understanding was found, and the treaty is now close to being signed. How would you describe this treaty, in the first instance from the political viewpoint? What could its significance be for the USSR and for the United States, as the sides signing the treaty, and for the world as a whole as this affects everyone?

[Churkin] You are quite correct, Viktor Nikolayevich, that this affects everyone. In the first instance, of course, it affects the USSR and the United States. It seems to me that the treaty will have an extremely major stabilizing and cementing role in Soviet-U.S. relations since it introduces an element of certainty, a major element of certainty for many years ahead in the development of those forces which are the butresses of the security and defense capabilities of our two countries, that is strategic offensive weapons.

The level of mutual penetration into comprehending the structure, the logic of the construction, the logic of the development of each other's strategic forces in the strategic offensive weapons treaty which will be signed by the two presidents is truly striking. Of course, there has been nothing like it in the history of arms reductions, or in the whole history of international relations. This is a document consisting of several hundred pages where all questions are weighed up and analyzed extremely carefully and meticulously by the two sides.

Of course, the Supreme Soviet and the U.S. Congress still have some work to do with regard to ratifying these treaties. But the very fact of the signing undoubtedly is of significance and its significance, as you correctly noted, goes beyond the geographical borders of our two countries, since strategic weapons by their very nature are of global importance. Therefore the favorable influence of this treaty will be felt, I am sure, both in Europe and Asia and, in essence, throughout the world since this is really the exclamation mark placed at the end of a long and very laborious path of struggle to reduce the threat of war and to reduce the burden of armaments, if you wish, since these are extremely expensive, complicated armament systems of the two countries requiring high scientific and labor input.

[Levin] Vitaliy Ivanovich, in accordance with this treaty, as far as one can judge from what has already been published, the sides are to carry out reductions of approximately 35 percent in their strategic arsenals. But what will happen next? What further developments will there be? Are we immediately beginning new talks with the Americans? Are we going to go along the path of some further reductions, or maybe there will be some leap forward? How do you see the prospects for this?

[Churkin] At present this is a subject for discussion by the sides. I think that this question will come up during the talks between the two presidents in Moscow next week. It is clear that the talks will be continued. Possibly, the question will be raised in good time of including the other nuclear powers in these talks, but, independently of resolving the question of the participation of Britain, France, and China, the USSR and the United States of course do have things to talk about. I think that there will be no hasty attempt to conclude next year or in a year's time.

[Levin, interrupting] No increased obligations will be adopted?

[Churkin] No heightened, augmented plans will be adopted, it seems to me, since an extremely serious discussion will be entered into about how our two countries are to move further ahead in this sphere with the aim of even further increasing strategic stability and consequently increasing the confidence of the peoples of the two countries that their peaceful life will not be interrupted by any possible accidental and unexpected turns of events.

The experts, those people who study these questions, have some extremely deep thinking ahead of them in our country and, I think, in the Unites States, too. These are things which require extremely deep elaboration both at home and in talks with the Americans.

[Levin] Vitaliy Ivanovich, you mentioned that this treaty signifies a reduction in the burden of armaments. Well, indeed, strategic weapons are evidently particularly expensive, and to economize on these while ensuring the requisite level of national security means receiving a double gain. We will not only be saving money but we can release the money to resolve the tasks facing us and of which there are, to say the least, more than enough.

In this connection I would like to speak about the economic aspect of Soviet-U.S. relations. The opinion has still not been dispelled that at the Big Seven meeting in London the United States, on the whole, adopted a rather restrained position toward the USSR. While France, the FRG, and Italy came out very actively in favor of including the USSR as rapidly as possible in the world economy and to integrate our country in this world economy or, to be more precise, to help us to become integrated, the United States was rather more restrained in this respect. To what extent is this assessment in accord with reality? And how do you see the development of these events?

[Churkin] You know, of course, if one looks at all seven participants in this meeting with President Gorbachev, one can pick out various nuances in the position of individual countries, including the United States. This is not surprising because it is a matter of things which are strategically extremely important,—strategically not in the military sense of this word but in the sense of the long-term nature and importance of what is taking place—for what is in question is the integration of the Soviet economy in the system of world economic links. Apart from anything else, one cannot fail to take into account that in all of these countries this question is a subject of quite intense internal political struggle.

The United States has not avoided this and the internal political passions there are at times rather intense with regard to how far the United States is prepared to go with regard to, if you like, giving support to the USSR, encouragement, not just in words but in deeds, for the reforms being carried out in our country. I think that on the whole, and one can say at least,—this is extremely important—that the U.S. administration and President Bush are minded to do everything in their power and which they think is feasible with regard to giving such support to the USSR.

Therefore what all the 'seven' managed to agree on at the meeting with President Gorbachev, the real program which was announced during President Gorbachev's visit to London, is no small thing, it is something very real and considerable. Apart from everything else, it is an action program for the future which will be undertaken in practice and which entail further contacts.

I believe that the forthcoming talks in Moscow between Presidents Gorbachev and Bush will be a very important stage in these continuing contacts. I am convinced that the economic theme in the broad sense—with regard to the possibility of cooperation between the USSR and the United States, with regard to the need to renounce the stereotypes of the past and certain elements inherited from the past which are still hindering us such as, for example, restrictions on technology within the framework of Cocom [Coordinating Committee for Multilateral Export Controls]—these questions will be raised by

the two presidents and will form yet another important element of the forthcoming summit meeting.

[Levin] One other topic that is always mentioned in articles devoted to the forthcoming Soviet-U.S. summit is regional conflicts or, to put it more precisely, joint actions by the two countries to resolve various regional problems. At present, and in particular this week, noticeable advances have taken place which are encouraging, although one should maintain a certain reserve, a reserve of healthy pessimism. Major advances have taken place with regard to moving on to resolving the Near East problem. I am referring to the results of the latest talks between U.S. Secretary of State Baker and Syrian President al-Asad, and Asad's reaction to the message he received from the Presidents of the USSR and United States. That is, the outlines of a Near East conference are beginning to emerge.

I would like to ask two questions on this. In your opinion, what role has been played by the cooperation between the USSR and the United States in advancing this question? And what are the prospects for this conference which, as is known, should take place under the aegis of the United States and the USSR?

[Churkin] To reply to the first question, it seems to me that Soviet-U.S. cooperation played a key role in achieving this success, not just in the Near East but also in a number of other regions. This year may be particularly fruitful with regard to achieving breakthroughs in resolving regional problems. Not long ago, on 1 June, we witnessed the signing in Lisbon of a major agreement which, without exaggeration, is an historic one for the African continent, an agreement on achieving peace in Angola. There, too, a fundamental role was played by the USSR and the United States. It is no coincidence that USSR Foreign Minister Bessmertnykh and U.S. Secretary of State Baker were present at the ceremonial signing of these agreements. Together with the Americans, we are continuing to play an active role in assisting their successful implementation.

I believe that a complete settlement of the long years of drama, of conflict in Cambodia is not too far away. This is also thanks to a considerable extent to joint Soviet-U.S. efforts. One can expect a successful completion of this settlement quite soon, maybe within months.

At present, and you are quite right, Viktor Nikolayevich, attention is focused on the Near East settlement, because it seems that we are at the culmination of several months of efforts, efforts which were maybe begun in January during the Washington meeting between Bessmertnykh and Baker when the sensational joint statement on the Persian Gulf and the Near East was adopted. Since then the two ministers, and the USSR and the United States as a whole, have kept in very close contact and have actively cooperated with each other in working out a formula for a peace conference on the Near East in which the USSR and the United States will be co-chairmen. At present, by mutual agreement, they are the co-initiators of this peace conference.

Indeed, there have been very important events. Syria and other Arab sides directly involved in the conflict have basically agreed with this joint Soviet-U.S. formula, which has opened up the real possibility of convening a peace conference on the Near East in the near future. It is now down to just a few things and, to be precise, to an equally positive reply from Israel. At present this reply can perhaps be expected literally any day now. If it is given, if Israel follows the example of the Arabs, then an extremely important event would take place. Finally, after more than four decades of conflict real talks would begin at the conference table between these countries and peoples, which unfortunately have long been in conflict.

[Levin] Vitaliy Ivanovich, you mentioned a formula that had been worked out jointly by the United States and the USSR. You mean peace in exchange for territory?

[Churkin] That in particular. But on a broader scale the whole format of the conference, that is, such elements as that the USSR and the United States would be the co-chairmen of the conference, that right from the start this conference would be based on UN Security Council Resolutions 242 and 338.

[Levin] Could you please remind us what these are about?

[Churkin] They raise the question of Israel's withdrawal from the occupied territories. All the participants in this conference proceed from the premise that these resolutions imply the exchange of territory for peace. But there is one exception. That exception is once again Israel, which interprets these resolutions rather differently and asserts that by concluding the well-known Camp David treaty with Egypt it has, as it were, already fulfilled these resolutions and therefore, it says, it is not essential for there to be any question of returning territory. This shows that, of course, difficult talks lie ahead. Everyone is fully aware of that.

But the fact that success has been achieved in agreeing upon the format of the conference—there are several other elements to this format—that is how the conference could be resumed after it opens, what the role of the United Nations will be. There is a whole range of other things which perhaps seem banal to the unenlightened but which really in the context of the Near East are of extremely great symbolic, political and, very frequently, emotional importance. The fact that success has now been achieved, it would seem, in bringing everything together and in bringing the positions of the sides as close as possible in order to adopt a single formula for convening such a conference is an extremely important and major achievement.

[Levin] If my memory does not fail me, for many years the stumblingblock was that the Arab states would not

recognize Israel's right to exist and therefore gave it no guarantees. This was the basis for Israel to say that it could conduct no other policy toward the Arabs. But now before our very eyes such changes are taking place. This week some Arab states—Saudi Arabia started this off—have gone even further. They have now stated that they are ready to lift the boycott of Israel which has been in place for many years if Israel will even cease the construction of settlements on the occupied territories. In my opinion this aspect indicates a radical change in the Arab countries' approach to the very fact of Israel's existence and shows that in the Arab countries today realism has prevailed.

[Churkin] This is an extremely important element which creates a new and more favorable atmosphere for the start of the peace conference on the Near East. We welcome this position adopted by the Arab countries. True, Israel has not agreed to this. But I believe this is a pity because it is quite clear to everyone that this was a very difficult step for the Arabs because they have always said, and in general not without grounds, that these settlements on the occupied territories are a flagrant violation of the Security Council resolutions. That is, as it were, without any additional steps from the Arabs, Israel should not build these setlements at all and not just freeze them.

But now as a gesture of goodwill the Arab countries have offered this exchange aimed at creating a favorable atmosphere for further talks. They will call off their boycott of Israel—this includes the boycott of Western companies which have various business links with Israel—in exchange for Israel's halting of the settlements, which greatly upset the Arabs and it is understandable why. The settlements make them think that there is no point in making any efforts to achieve a peaceful settlement because these territories are continuing to be illegally settled by various settlers, this is what upsets them most of all.

So, this is yet another positive element, this statement by the Arabs that you mentioned, which has taken place in recent days and creates a new backdrop for the efforts aimed at a peace settlement.

[Levin] That is, to put it briefly, the Arabs are now demonstrating a very realistic approach. But Israel is being slow to adopt a similar realism.

[Churkin] Israel is still being slow, but let us be patient a bit longer. Only a few days have passed since this new situation arose. For the Israelis, taking account of their long-held position, undoubtedly the decision is also not a simple one, taking account of the fact that some political forces in Israel totally refuse even to consider returning any territories and, if one calls things by proper names, who do not wish to talk to the Arabs at all.

We can only hope that common sense and wisdom will prevail in Israel because the continuation of the present unresolved situation in the Near East is fraught with very unpleasant consequences for the whole region including for Israel, particularly in view of Israel's extremely vulnerable position. If the present round of efforts to make a start on the process of a Near East settlement should for any reason end unsuccessfully, then one can expect extremely unpleasant consequences. Evidently one can, without particular difficulty, predict a new round of the arms race in the Near East and other extremely negative consequences.

I believe that there are grounds to hope that this time the Israelis will also make the correct decision and that a peace conference will be successfully convened under the co-chairmanship of the USSR and the United States, and that the peace process will be set in motion in the Near East. Although, even after this, the path toward a genuine and strong peace in the Near East will still be difficult because the talks will evidently be difficult.

[Levin] To sum up, Vitaliy Ivanovich, I believe that we can say that Soviet-U.S. cooperation in this region, too, is in the interests of our two countries and also in the interests of the countries of this region. That is, we once again come to the conclusion that Soviet-U.S. relations are acting to the benefit of all.

[Churkin] Undoubtedly, but I would like to stress the first part of your formula, that this is also in the interests of the Soviet Union because the Near East is a region close to us. We sensed this once again during the war in the Persian Gulf where even ecological threats and fears arose for us, for our country, in connection with this war. Hence, a settlement of the Near Eastern conflict would benefit the countries of the Near Eastern region and the USSR.

[Levin] Thank you, Vitaliy Ivanovich.

Warnke Cited on Prospects

PM2607122191 Moscow PRAVDA in Russian 26 Jul 91 Second Edition p 4

[TASS report: "Eagerly Awaited Event. On the Eve of the Moscow Summit"]

[Text] Washington, 25 Jul—The upcoming new Soviet-American summit in Moscow next week will be an outstanding event, and will, unquestionably, contribute to the further development of the whole range of cooperation between the United States and the USSR. This was pointed out by Paul Warnke, the authoritative U.S. arms control expert and honorary chairman of the Washington National Security Committee, who headed the U.S. Arms Control and Disarmament Agency for a number of years, and also the U.S. delegation at the strategic arms talks with the Soviet Union.

He noted in particular that the discussion during the upcoming talks between USSR President M.S. Gorbachev and U.S. President G. Bush of wide-ranging questions pertaining to bilateral relations and regional and international problems of mutual interest will take place in conditions of trust and mutual understanding

achieved by the two countries' leaders, and the desire of both the USSR and the United States to resolve existing differences in the sides' approach to the problems under discussion. In his words, the conclusion of the strategic offensive arms reduction treaty will be the centerpiece of the upcoming Soviet-American summit.

IZVESTIYA Interview With Bush

PM2607194191 Moscow IZVESTIYA in Russian 27 Jul 91 Union Edition p 4

[Report by correspondent A. Shalnev on undated interview in Washington with President Bush: "What George Bush Is Bringing With Him. U.S. President Interviewed by Soviet Journalists on Eve of Visit to Soviet Union"]

[Text] Washington—"It would be very cynical and unjust to claim that President Gorbachev lost World War III at the London summit with the 'G-7' leaders." "I completely disagree with such views," U.S. President George Bush said in an interview given to a group of Soviet journalists before his trip to the USSR.

The criticism of Gorbachev, the U.S. President continued, is possibly connected with the fact that he did not get any money in London. "But Gorbachev didn't ask for any money, he didn't stand there cap in hand like a beggar.... We made very clear to him something he knew already: The conclusion of the Union treaty is very important. It is extremely hard to invest money if you don't know who you are dealing with or how taxes will be distributed."

But, George Bush stressed, to assume that in London a "victory in the 'cold war' spirit was won would be to make an entirely wrong assessment of the climate in which the meeting was held. We were not sitting there looking at each other with hatred. The meeting was constructive: It was about how we were going to work together, that is a major difference from 'cold war' ideology. Good grief, I think back to my UN days—you were represented by Yakov Malik at the time, he became my friend—how we sat there staring at each other. That too was the 'cold war.' Perhaps they were not the coldest days of the 'cold war,' but it was still the 'cold war.' All that has changed now, there is no longer any desire to trample the other side in the mire."

The main impression I took away from the interview with the President was G. Bush's supremely positive outlook. As is well known, he has already visited our country several times—as vice president under Reagan, when it fell to him to carry out the perhaps honorary but nonetheless noble mission of representing the United States at the funerals of Soviet leaders Brezhnev, Andropov, and Chernenko. Now G. Bush is once again coming to Moscow, but, first, as President and, second, on a different mission from before.

Of course, that is not the only reason for the animation with which Bush spoke of his coming trip. His positive outlook seemed to me to be the result of the confidence he felt—confidence that relations between the Soviet Union and the United States are indeed now reaching a qualitatively different level whereby, to paraphrase Margaret Thatcher's old and very famous saying, both countries can do business together.

"I am impatiently awaiting this trip," the White House incumbent noted, "I am expecting the visit to go well. I hope that it will strengthen our relations. That is important for the United States. I think that it is also important for the Soviet Union.... The Soviet Union has voiced doubts about U.S. intentions. Different voices have been raised in the United States, as they have in the Soviet Union. But as President I believe that it would be useful to convey (through the visit—A.S.) a message of respect and desire to work together with the Soviet Union and to discuss what we call the new world order, of which the changing Soviet Union and the changed Soviet Union is an integral part."

The second main impression of the interview is the list of summit priorities the administration has drawn up for itself; arms control has undoubtedly moved into second or perhaps even third place behind economic and financial problems, and purely political problems. When I asked the President what could be expected from the Moscow summit as regards the continuation of the disarmament process—particularly in the strategic arms sphere—he hinted quite transparently that he will still have to deal specifically with these issues in the days remaining before the trip, that the discussion will be general and wide-ranging in nature, and that "there will be no bold new initiatives or dramatic steps from the United States."

The President explained the clearly secondary nature of arms control problems very simply: "The achievement of agreements on conventional arms, medium-range missiles, and strategic offensive weapons has removed many highly complex questions from the agenda in such a way that the entire world has proclaimed: This is really sensible! We and the Soviet Union are moving in the same direction. Our children will probably grow up without having experienced nuclear terror.... And it seems to me that the reason why economic questions have come to the fore is to do with how much has been achieved in the arms control sphere, or, rather, how much will be achieved when we conclude a strategic offensive weapons agreement."

So then, economic problems. Most of our attention during the interview was devoted to them. There were no sensational statements from the President, unless you count Bush's "slight suprise" at the official Soviet applications for full membership of the IMF and the World Bank set out in a letter dated 15 July—that is, written before Gorbachev's meeting with the "G-7" leaders, where the Soviet president was promised only associate membership for the USSR, but received in Washington (in not very clear circumstances) only last Monday. As far as we can ascertain, the idea that we will now be given

a higher status is unjustified. But, the President said, "this is not an anti-Soviet position. It is just a very realistic position."

Bush, however, did not rule out the possibility that at some future point the USSR will indeed become a full member of the IMF and the World Bank. These organizations have their own conditions, and the Soviet Union—like any other country—will have to meet those conditions. So far these conditions cannot be met, but they will be when the program linked to associate membership status bears fruit—when it can bring about changes likely to strengthen the Soviet economy. If all goes normally, then "who knows?" G. Bush said. But he refrained from predicting when the USSR might be able to count on full status.

In reply to a question, the White House incumbent stressed the urgent need to attract foreign investment to the Soviet economy. As he put it, this is the "fastest way of raising living standards" for Soviet people. As for the fears expressed in our country that foreign capital will enslave us, from the President's standpoint such fears are groundless. "Incidentally," he noted, "we in the United States make similar accusations—about Japanese investment, for instance. Some people state quite cynically that Japan intends to buy up the entire United States. But I support Japanese investment in our country. It results in competitiveness. It results in higher productivity... I am in favor of encouraging foreign investment in the Soviet Union."

But, having said this, Bush emphasized—and different versions of this idea were repeatedly voiced in his interview—that the Soviet Union should create conditions conducive to attracting foreign capital. Indeed, the program of technical assistance to the USSR discussed at M.S. Gorbachev's London meeting with the "G-7" leaders is partly aimed, according to the President's statements, at bringing such conditions about. I think, Bush continued, that there is a logic to this kind of approach. I think President M.S. Gorbachev knows this, just as he knows the financial restraints which certain countries—the United States included—are facing.

One of us asked the President to assess the relations taking shape in the Washington-Soviet Government-republic governments triangle. Bush's answer was very clear and to the point: "I don't think there is a triangle. I think that the U.S. President deals with the Soviet president. But contacts with the republics are very important too. Any Soviet leader has extensive contacts with our federation, our governors, and our representatives in different states.... When Yeltsin was here he had behind him the impressive support of his voters. And that is of great importance to Americans. They were facing a man who had run for office in the Russian Republic and won a great victory. But I don't think this means that there is a triangle and that I should deal with Yeltsin on the same basis as Gorbachev. Foreign policy doesn't work like that. There must be a definite order. The people of the Soviet Union—the whole Union—are entitled to know that the U.S. President will base his relations with the Soviet president on respect. This does not rule out the possibility that I may have good relations with Yeltsin or anyone else. I just don't want to equate the one with the other."

But in a certain sense Bush has already done so. Talking about the changes which have taken place and are taking place in the Soviet Union—in domestic and international affairs—the U.S. President stressed that it is a question of a new world order and that the "changes would not have been possible had it not been for the dramatic changes in thinking in the Soviet Union, a thinking that is shared by Gorbachev and Yeltsin."

I asked Bush to comment on what happened the other day at Novo-Ogarevo. "It is a very good thing that, by all accounts, it did prove possible to reach agreement.... The very idea that the Soviet Union is working out an agreement with the republics is of very great importance for the attainment of the economic goals which we have already mentioned. I support (what has happened—A.S.) but I hope that this will not be seen as interference in the Soviet Union's internal economic or political affairs." There was the following question: What kind of Soviet Union do you expect to see by the year 2000?

"I'm optimistic," the President said. "It seems to me that you are seeing a Soviet Union which has looked into its domestic relations with the republics. I am not saying that you should do it the same way we did, although there may perhaps be some similarities... but solutions will be found to suit the Soviet model rather than the American or the French model. When this is done—and it will be done long before the year 2000—your situation will be dynamic. Transportation will work better, agricultural produce will be better distributed, workers will be calmer, as will political relations between the republics and the center, and living standards will rise.... That is how I see it. This is what we would like to see."

"One other point," the President continued, "I would like us to turn swords into plowshares. As you know, this is what we are trying to do. We are closing bases and cutting defense spending. Our defense is still very strong. So is the Soviet Union's." George Bush also expressed the hope that the trust between the Soviet Union and the United States will grow stronger.

That is what the President is bringing with him....

PRAVDA Interview With Bush

PM2707160191 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 6

[Correspondent V. Gan report under the "Current Topic" rubric: "G. Bush: 'I Look Forward to the Meeting'"]

[Text] Washington, 26 Jul—The presidential Oval Office in the White House is indeed oval, with a bay window onto the Rose Garden, the traditional site for ceremonial

welcomes of and farewells to high-ranking foreign guests. On the eve of his trip to Moscow for the summit talks, President G. Bush met with a group of Soviet journalists in the Oval Office.

The president was in good spirits and willingly answered questions from PRAVDA, IZVESTIYA, LITERATURNAYA GAZETA, and MOSKOVSKIYE NOVOSTI correspondents.

"I am actually looking forward to this meeting. There is a lot to be discussed, and I fully expect that the visit will go well," G. Bush said at the start of the conversation.

Recalling the London conference of the "Seven" that has just taken place, G. Bush noted that many problems were discussed there. But, he added, "we also have many bilateral questions, and as far as we are concerned each of them is open to discussion. I think the visit will be positive. I also hope that as a result our relations will become stronger. This is very important for the United States, and I would like to think it is important for the Soviet Union, too."

PRAVDA's correspondent asked the President:

"To a certain extent the Treaty on Strategic Offensive Arms [START], which has already been agreed upon, marks a switch from the agenda of the 'cold war,' which concentrated on arms control, to a new agenda with an emphasis on economic cooperation, trade, and so on. What do you think about this?"

I think, G. Bush replied, that is quite so. In my opinion it is not, of course, the end of the road in the arms control sphere; other objectives in this respect still remain. However, we are dealing with such dynamic changes in the Soviet Union that, as was said at the G-7 conference regarding technical assistance and all the other things, we want to be part of that. Therefore, as I see it, the economic problems that were discussed and the questions of a system will be part of all this.

The Soviet Union is yet to have a market economy. They have yet to have a convertible currency. They have yet to have private property. All these questions will soon be dominating our agenda, without completely ousting arms control. They are extremely important. In our opinion, the productive utilization of technical assistance and the advance of the Soviet economy toward the market are in the best interests of all the country's citizens and, as is quite obvious, in our interests—otherwise we would not contemplate assisting in this.

If someone wants to imagine a bright future (for the the USSR—V.G. note), let him observe the implementation of Gorbachev's reforms and the realization of much of what Yeltsin is advocating. You can see the huge potential for capital investments, for participation and close cooperation in solving political questions. The selfsame changes Gorbachev has achieved have had an enormous effect, for example, on the increased usefulness of the United Nations. We are talking about a new world order, but this could not have taken place were it not for the dramatic change in thinking in the Soviet Union. Thinking which, incidentally, by all accounts Gorbachev and Yeltsin share.

So, as I see it, arms control and defense will continue to play an important role and sometimes there will also be friction here. But if we act properly, they will be edged out by the general desire to cooperate with each other for the sake of changes and the desire to facilitate and support the changes taking place in the Soviet Union.

My second question to the President followed on automatically:

"Coming back to the London conference of the 'seven,' I would like to clarify one point. Do you think that ultimately the West will still tie itself and some of its resources to the cause of enabling the Soviet Union to join what Gorbachev called 'one civilization?'"

Of course, the President said, there is no question about it. And the emphasis must be put on ensuring that people are actually helped and on investment in the private sector; that is, where the big money is to be found, from where the biggest changes will come, where people will get jobs, and whence an increase in the living standard will come. The USSR's associate membership of the World Bank and IMF will lead to full membership, which in turn will mean the meeting of specific requirements concerning the allocation of funds for certain programs of the central government or any other (republic's—V.G. note) government.

This approach, the president went on, will lead, as I see it, to irreversibility (of reforms—V.G. note) in the USSR, because if everything gets going in a really big way it will improve people's lives so much that there will simply be no turning back. This is already happening in other countries; this is happening in East Europe, although a bit more slowly than they would like. But they are starting to sense what private capital investment can help to achieve and what market economy and private property can offer.

Having said all that, I must note that the Soviet Union is encountering some big problems. Of course, it is not my place to interfere in your internal affairs, but I am told that you have problems with accommodating servicemen. Yes, that is hard to solve. But I still think that a broad emphasis on the market and private capital investment are the way to solve these difficult problems.

G. Bush was asked what he thinks about the USSR's application for full membership of the IMF and European Bank for Reconstruction and Development, which has just become known. According to the President, the position of the "seven" has already been determined—associate membership, and the Soviet application is premature. The President recalled that there are specific conditions, which we have not yet met, for the USSR's admission to these international organizations.

G. Bush categorically brushed aside claims that, as a result of the transition to the market, the Union will end up being sold off to Western capitalists. "There are no grounds whatever," he said, "for these claims. I am completely in favor of encouraging foreign investment in the Soviet Union. I think this will be the fastest route to raising people's living standard. But it is not limited just to foreign investment. As soon as a small business becomes strong in some corner of the Soviet Union, foreign capital will be of no use at all here. Everything will depend on the system and only that will make the economy more dynamic.

"Foreign investment might help. But the initial concept must be based on individual people or people combining forces to start their own business or take control of an enterprise that belonged to the state and make it more productive.

"I am absolutely sure," Bush stated, "that this will open up huge opportunities in addition to what foreign investment can do. So, to those who say: We do not want everything in the Soviet Union to be owned by foreign investors, I would reply as follows: Go for these changes, the whole world is watching, and you will see that people are capable of a lot when they do not have to obey all sorts of government rules.

"How do I know that?" the President went on. "Because we have already experienced it all for ourselves. We have state companies that are much less efficient than those owned by private people. Similar arguments can be heard concerning Japanese investment in the United States. Some people even cynically state that Japan will own the whole United States. I personally support Japanese investment. That is competition. As a result, labor productivity in our country is increasing. If they can show how a hotel can be better run, then Americans will have to try even harder not to go bankrupt. So, I would say to those who are worried by a similar problem: Private investment will help. You will see the dynamism of private enterprise."

G. Bush was asked about how the President would assess his upcoming meeting with the USSR president in light of the fact that previous meetings have always marked a step forward in the development of relations between the two countries.

"The very signing of the START Treaty speaks for itself, and I hope the agreement will be ready for signing in all its details," Bush said. "But even if not, the treaty is ready, and whatever we sign, it will be regarded as a substantial step forward which not only the USSR and the United States but also people throughout the world have long been hoping for. This feeling will certainly dominate the meeting. Here I would use the word 'qualitative' with regard to improving bilateral relations.

"In my opinion," the President went on, "there are certain doubts in the Soviet Union about U.S. intentions. Various voices can be heard in the United States, as they can in the Soviet Union. But in my capacity as President I think it would be useful to convey a message of respect and of our desire to work together with the Soviet Union and to discuss all questions, including regional problems, where Soviet participation is very important, especially in the Near East, and to discuss what we are calling a new world order, an integral part of which is a changing Soviet Union and a changed Soviet Union."

Concerning his meeting with Gorbachev in London, the President said that a very open discussion on the need to continue the reforms took place. According to the U.S. President, Gorbachev did not ask for money. He did not come cap in hand or dressed as a beggar asking for money. Such arguments are extremely cynical and absolutely unfounded. "We let him clearly understand what he already knew. That it is very important to complete the 'Nine plus One' treaty. That investing resources is a very complex matter if you do not know who you are dealing with or how the question of taxes is going to be decided." G. Bush categorically refuted the opinion of certain people that the London conference of the "seven" was a kind of triumph of the "cold war." "On the contrary," he said, "the discussions were constructive and boiled down to the question of how everybody can cooperate better."

The President was asked for his view of relations in the triangle of Washington, the Soviet central government, and the republics' governments.

"I do not think," he replied, "that it is a question of any triangle. The U.S. President deals mainly with the Soviet president. Contacts with the republics are very important. Any Soviet leader can have contacts with our federation, our governors, or representatives of various states. But I do not think that I, for example, can deal with Yeltsin on the same basis as with Gorbachev. That is not the way foreign policy is conducted. A proper approach is needed. The people in the Soviet Union, throughout the Union, must know that the U.S. President will conduct affairs with the Soviet president with respect. That, of course, does not preclude good relations with Yeltsin or anybody else. I simply do not want to make them both equal."

In reply to a request to comment on the agreement just reached between the center and the nine republics, Bush expressed his satisfaction, noting that it is very important for the realization of the economic objectives he touched on earlier. However, the President hastened to add that he hopes these words of his will not be regarded as interference in the Soviet Union's internal political or economic affairs.

TASS Interview With Bush

LD2907062191 Moscow TASS in English 0530 GMT 29 Jul 91

[By correspondent Alexandr Korolev]

[Text] Washington July 29 TASS—In an interview with a group of Soviet journalists on the eve of his trip to Moscow for a summit meeting with President Mikhail Gorbachev, Bush expressed his vision of the current relationship between the two countries and outlined likely prospects for the near future.

"I am looking forward to this visit very much indeed. A lot of things to talk about, and I have every anticipation that the visit will go well," he said.

"A lot of the issues were addressed at this G-7 meeting, but we have got a lot of bilateral things to discuss and, as far as we are concerned, every issue is open for discussion," Bush said.

"I hope that the outcome of the visit will be a strengthening of this relationship. It is very important to the United States, and I like to think it is important to the Soviet Union," he added.

The President emphasised that a Soviet-U.S. Strategic Arms Reduction Treaty (START) would be signed in Moscow and would become "a significant step forward" in the sphere of arms control. "A lot of people around the world have been hoping to see this for a long time", he said.

Bush said the U.S. was not bringing any radically new proposals in this field, but expected a broad discussion of all these issues. "I do not say this is the end of the arms control road," he observed. He said he would like to dispel "some doubts in the Soviet Union about the United States' intentions". "It will be helpful to convey a message of respect, wanting to work with the Soviet Union, discussing all issues, including the regional issues where Soviet participation—very important on the Middle East. [as received] Discussing what we call a new world order where a changing Soviet Union, changed Soviet Union are an integral part of it", Bush said.

The U.S. President singled out critically important economic problems existing in the Soviet Union—the lack of a market economy, convertibility of currency and private ownership—which, in his view, "Will soon dominate the agenda without driving arms control totally away from the agenda".

This priority was accounted for by the fact that "the achievements in CFE, INF, and START have taken the major intractable issues off the table. And those are the ones that the world looks to and says, my God, isn't this great? We are moving in the same direction with the Soviet Union. Our children might grow up without the fear of nuclear weapons. And so those three have been very, very important in my view".

The head of the U.S. administration welcomed the accord between the Soviet President and the leaders of nine republics as regards a new union treaty.

He said this was very important from the viewpoint of all those economic tasks he had spoken of, adding that he hopes he did not through his pronouncements interfere in the internal affairs of the Soviet Union. "I don't think we've got a triangle. In other words, I view that the president of the United States primarily deals with the president of the Soviet Union."

Having said that, contacts with the republics are a very impprtant thing, Bush added.

Then, touching upon Western assistance to economic reforms being effected in the Soviet Union, Bush described as "a very cynical and very unfair observation" the opinions that the Soviet president had suffered a severe setback when in London.

"Well, he did not get money," Bush said. "But he did not ask. I mean, he wasn't there with his hat in his hand in a beggar's uniform coming there trying to beg for money".

The U.S. President pointed out that G-7 leaders had arrived at a conclusion that "technical assistance, be it in energy, or food distribution, or nuclear safety, consultation on environment—all of this kind of thing is essential to make subsequent investments worthwhile".

Bush believes that the accord reached in London to grant the status of associate membership at the World Bank and the International Monetary Fund opens up prospects for large-scale financial aid on the part of the West.

"If the program that we outlined, the associate membership—if experts get the feeling of how it works and the assistance that we talked about here goes forward, who knows? I mean, that may happen sooner rather than later," he said.

The U.S. President was asked to comment on points of view being expressed in the USSR that if there would be a profound and comprehensive reforms in the Soviet Union, everything, "every little bit of Soviet industry will be bought out or sold to the so-called western capitalists".

"I don't think there's a foundation for that," he said. "I am all for encouraging foreign investment in the Soviet Union. I think that would be the quickest way to raise the standards of living of people at home".

He said financial injections from the outside could help but that small private businesses must become the real motor in the development of market relations.

"Foreign investment can help. But the exciting concept has to lie with individual people over there or people coming together to start businesses or take over a state-owned business and make it more efficient," Bush said.

"Now you hear the same charge made, indicidentally, about Japanese investment in this country. Some have rather cynically said, well, Japan's going to own all of the United States. My view is I support Japanese investment in our country. It results in competitiveness," he said.

The U.S. President voiced hope that the Soviet Union will succeed in "sorting out its internal relations with the republics". "that will be done far sooner that the year 2000", he said.

"I'm not saying you have to do it the way we do—50 states and a central government. But there may be some pattern.

"Looking over the horizon to the year 2000, you are going to find a dynamic situation with better transportation, a better distribution for agricultural products, a smoother working political relationship between the republics and the center, and a standard of living that has gone up for the individual workers or the individual housewife in the soviet union. That's what I visualise. And of course, that's what we'd like to see happen".

"And, of course, I'd like to see that we'd look at our defense requirements and have a little more trust and take some of the great assets that are involved in defense and turn them into private productive uses—beat the swords into ploughshares", Bush underlined.

Bessmertnykh Interviewed on Talks

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[Interview with Foreign Minister Aleksandr Bessmertnykh by unidentified interviewer; date and place not given; from the "Topical Interview" Program—live or recorded]

[Text] [Interviewer] Aleksandr Aleksandrovich, it's only two days until another Soviet-U.S. summit meeting. This time it will take place in Moscow. This is the sixth meeting between the two presidents—Mikhail Sergeyevich Gorbachev and George Bush. What, in your view, is going to be the main context of this meeting, the signing of a treaty on reduction in strategic offensive weapons, that is in a sense the culmination of great work which took nearly 10 years, the completion of the two countries' efforts, or will it be transfer to a new stage, perhaps a qualitatively new stage in our bilateral relations?

[Bessmertnykh] The present meeting between the two presidents will contain characteristic aspects of the previous meetings, that is when the two leaders of the two leading world powers discuss world problems, as well as the principal bilateral issues. But this meeting will also have something specific and I shall say what it consists of.

All our present Soviet president's previous meetings took place under the shadow of working out a fundamental agreement on limiting and reducing strategic offensive weapons. This discussion took place in 1985, when the first meeting between the presidents of the USSR and the United States took place in Geneva, and this discussion went on until the last moment and we should say was concluded in London.

Thus this will be the first meeting, for the first time there will be a meeting over which there will be no shadow of problems connected with the conclusion of a treaty which, as you have rightly said, dragged on year after year for 10 years. This will be a discussion when two leaders, having drawn a line under this 10-year negotiation marathon, will have to provide impetus for future negotiations. This is one of the most specific features of the coming summit.

The second most perceptible feature of this discussion, I think, will consist of the fact that the leaders will be forced, in the light of what is taking place in the world and in their own countries, to sort out what relations should finally be established between the two states. We get the impression that the leadership of the United States, although strategically on the whole it understands in what direction these relations should develop, nevertheless needs such a candid and broad discussion with the Soviet leadership.

We need to know the strategic direction in which the United States will conduct its policies, and the United States needs to know how we intend to build our relations with the United States under our current transitory, as it were, conditions. Finally, what is also characteristeric of the current moment is the fact that having come to the end of the Cold War and this prolonged Cold War period, we have not immediately made a transition to a state of partnership and of such specific, daily cooperation. We have emerged into a transition period between the Cold War and this cooperation and future business-like partnership and since the period is a transition one it demands, accordingly, thoroughness and balanced consideration in its approaches, regular contact, and a very precise understanding of all of the moves which Soviet and U.S. diplomacy will make on the world arena. Therefore a more precise correlation between these understandings is extremely necessary.

And finally, this meeting will also be important for specific conversations on problems in bilateral relations. The signing of a number of agreements is envisaged in our country, this time very close to the daily life of our peoples and to our concerns, as it were, to both U.S. concerns and Soviet concerns. For example, one of the agreements which will be signed will concern housing construction, that is our joint efforts on the scientific and technical study of this whole problem.

[Interviewer] In connection with this, Aleksandr Aleksandrovich, I would like to recall that the meeting in Moscow will take place virtually only a few days after the meeting of the Seven Plus One in London where the United States, as has been reported, occupied a more restrained position than, let us say, the FRG, France or Italy in relation to giving our country extensive and immediate economic aid, including financial aid. Well, judging by your words, we can be optimists and the Americans are ready to support, not only by statements but also by actions, our transition to the market economy, let us say.

[Bessmertnykh] The talks in London were significantly more extensive and it is possible that you accurately described the positions of individual countries in relation to the participation of the Soviet Union in the meeting with the oligarchies of the world economy in general. The point is that the Soviet Union is the third world economy in it scale and level of development.

[Interviewer] After the United States and Japan.

[Bessmertnykh] Yes. Unfortunately it has slipped to third place, although it used to be second. And so the Soviet Union, simply by virtue of this, is entitled to take part in discussions, in conversations regarding prospects for the development of world economic and national economic processes. And in London the task was elaborated, and in effect accomplished, which consisted in the cogs of the Soviet economy finally meshing with the cogs of the world economy, that is, integration processes beginning. And in this area the U.S. administration, overall, displayed quite sensible approaches, and also as far as concerns our introduction, if one can put it like that, into international economic institutions.

As concerns direct economic aid, this question was not tackled at all in London, it wasn't posed as such, it was posed in more conceptual terms, say: if we are switching to more radical, economically accelerated procedures of economic reform and transition to the market, then what can be done by other countries which, of course, have an interest in a mighty Soviet market emerging? In particular, everyone has an interest in the convertibility of the ruble, in implementing this program. If previously we were thinking in terms of deferring resolution of this matter until later, we have now decided, in the recent period, to expedite this program. Correspondingly, we need stabilization funds, and the whole world also has an interest in this, because resolving the matter of convertibility certainly facilitates to a substantial degree capital investment in our economy by other states.

So in this context there was discussion of the direct economic participation, or collaboration, in our programs. In general terms, yes, I agree with you that in the United States there exists more reservations regarding direct involvement in our program than, perhaps, in certain other countries. But I don't attribute this only, and I would say not so much, to the administration; it also relates to the mood in Congress, and it relates to the mood in U.S. society.

[Interviewer] And private business.

[Bessmertnykh] Although the business world has a great interest, but like every business world, it is cautious, especially big business, and at the present time Washington, I mean the administration, is submitting for examination by Congress a trade agreement with the Soviet Union. Hence, most-favoured status will be introduced, restrictions on credits will be lifted, and so on. So even in specific trade and exchange terms, I think that considerable prospects are opening up for us.

[Interviewer] Probably just now, in these coming days, it is expected, or at least the U.S. press is writing this, that actually in Moscow Bush will announce the granting of most-favoured nation status in trade to our country.

[Bessmertnykh] Well, I think this is an issue which is directly connected with the Congress approval of this agreement, whether the matter gets going automatically, or amendments are made which limit trade, and so on. So we are tackling this matter.

[Interviewer] Aleksandr Aleksandrovich, of course, as always at Soviet-U.S. summit meetings, not only bilateral issues, but also international ones will be discussed. Are you able to reveal the agenda of the Moscow meeting for us right now?

[Bessmertnykh] Obviously, I cannot do that completely, since the presidents themselves will determine the agenda during their own conversations. But one can only suppose, and evidently with quite a degree of certainty, that Europe and the European processes, particularly in connection with certain situations which have arisen in the eastern part of the continent, will occupy quite a lot of the attention of the two leaders. The Middle East, certainly, since the two countries are acting two joint sponsors, the future two co- chairmen of a conference on the Middle East. The problems of Cyprus. I think that Asia and Latin America will also be discussed by our two presidents, since there are quite a lot of issues where the interets of the Soviet Union and the United States either come into contact, or they diverge, or the efforts of the two countries might foster the resolution of problems of conflict which have built up.

[Interviewer] Aleksandr Aleksandrovich, you have mentioned the Middle East. In fact, last week there appeared quite a lot of information, or signals, from Arab capitals and from Tel Aviv to the effect that this process of negotiation seems to be moving from deadlock. And perhaps they will be talking even about specific dates for a Middle East conference.

[Bessmertnykh] You know, everything started moving from deadlock somewhere around the beginning of this year, when the Soviet Union and the United States stated for the first time in several years the need for joint, common efforts to develop the process of negotiation in this region. And in recent months both our diplomatic services have been cooperating actively in this issue. As I have already said, the USSR and United States are now the co-sponsors of a peace conference, and in the future, when it is held, will be the co-chairmen. Things really are gradually getting moving. But so far the issue consists mainly in the stand that Israel is going to take.

And from preliminary information I have received from Secretary of State Baker—he has written me a letter—he hopes that movement is possible there too. If that is so—the Arab world is in the main ready for this—then the conference can indeed be held. And I do not rule out that this matter might be discussed in more concrete terms at the coming talks.

[Interviewer] And it might even be held this year? I recall when I interviewed you on board your aircraft, Aleksandr Aleksandrovich, when you were returning from your Near East tour, you said that you were generally pretty dubious that a peace conference could be held as early as this year. But it looks as though matters really are moving.

[Bessmertnykh] Well I do not totally rule out a skeptical attitude of that sort on my part, given that there are still too many floating quantities in this whole situation. But if the conference is to be held at all then it should be held this year. Or at the very start of next year at the outside.

[Interviewer] But, to conclude our conversation, Aleksandr Aleksandrovich, can it also be said that our forthcoming meeting—the Soviet-U.S. summit in Moscow—will also somehow help in resolving the issue.

[Bessmertnykh] Undoubtedly. The Soviet-U.S. meeting, taking place as it is this time in the specific conditions of the world, of Europe, and of our own internal situation, will undoubtedly be set to play an important stabilizing role in all these respects. We expect it to be a productive, serious meeting which will not only set the tone for but, as we say, lay in something for the future in relations between us and in the world situation as a whole.

Arbatov: Dismantle 'Militarism'

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[Georgiy Arbatov "Academic's Opinion" under the rubric "On the Eve of the USSR and U.S. Presidents' Meeting": "An Opportunity Not To Be Missed"]

[Text] The two great powers have finally agreed on a summit meeting. They agreed after rather long and agonizing efforts—longer and more agonizing than might have been expected or was warranted by the state of Soviet-U.S. relations. But be that as it may, the obstacles have now been removed and the meeting is to take place.

In this context, I will venture to express certain ideas and make certain suggestions.

Two possible scenarios for the meeting can be imagined:

The first is that it might turn out to be an essentially ceremonial event, albeit a very prominent one, attracting lengthy media attention. There is nothing really wrong in that—the meeting has been carefully prepared and major questions, including the treaty on strategic offensive arms [START], have been resolved in advance. It remains merely to formalize these accords in Moscow.

Under the second scenario, the meeting is not just another symbol of the end of the "cold war," but also marks the transition to a new stage in relations between the two countries and international relations in general, in that sense a real milestone.

Naturally, I would prefer the second version. Because history has seen too many examples where disasters have occurred in international affairs, where states have gone into decline and even perished, not so much because of serious errors and mistakes as because of missed opportunities. They must not be amassed, alas, in the way the miserly knight amassed the gold, but must be used as soon as they appear—the opportunity is here today, but tomorrow it is gone, if not forever, then for a long time.

A fundamental change has occurred in Soviet-U.S. relations. Serious, honest, normal people in America have come to the conclusion that there is no "Soviet threat" to the United States, and there is no overseas "evil empire" either. Likewise, serious, honest, normal people in the USSR have come to the conclusion that the United States does not intend to attack them or "blow the country up" from within.

Will the treaty on strategic offensive arms mark this radical change eloquently enough? Hardly.

A 30-percent reduction of nuclear weapons would have been unachievable, of course, at the height of the cold war. Especially with the guarantees and verification measures the treaty stipulates.

At the same time, this treaty still falls far short of the new political realities. If both the United States and the USSR have no more enemies in the world—or at any rate enemies prepared to use nuclear weapons—then how does this square with the 12,000 (or, in fact, if "liberal" counting rules are used, the 15,000) strategic warheads permitted under the treaty? Not to mention the fact that, under the treaty, it is almost exclusively old types of weapons that are cut, while there are virtually no restrictions placed on the development [razrabotka] of new weapons. Does the other treaty—on conventional arms—which allows the USSR to retain 13,000 tanks and NATO 20,000 opposing each other in Europe, correspond to the new realities?

I do not want to cast aspersions on these treaties, much less on the Treaty on the Elimination of Intermediate-Range and Shorter-Range Missiles, which was signed in 1987. These conclude an entire phase of relations. They are important, and without them there could have been no progress toward more radical steps. But nonetheless they read more like the last page of the chapter of "cold-war" era relations rather than the first page of a new chapter in our history. A time when attention and effort are being focused on real, rather than old, challenges and threats. History itself will pass judgment on the past. Now it is important to concentrate on the future.

Not the distant future—statements about the great and noble goals that both leaders would like to achieve have already been made. President G. Bush has repeatedly talked of a "new world order." And President M. Gorbachev has repeatedly talked (as, admittedly, has the U.S. leader in the past) of a "comprehensive security system" and a "nonnuclear and nonviolent world." But

how do we get from "cold war" to "new world order?" And what are we to do not in a nonviolent world, but in today's real world when, as events in the Persian Gulf have shown, it is sometimes necessary to resort to force to eradicate violence?

It is to be hoped that the opportunity for a serious discussion of these problems provided by the Moscow summit will not be missed. It is essentially a question of the problems of demilitarizing our societies (after all, the United States is also a highly militarized country) and our relations, along with international relations as a whole.

The START treaty, which will be signed during the summit, provides considerable cause for serious thought about these subjects.

I have already mentioned how the restrictions being brought in on strategic weapons fail to live up to the changes in the world. We should also recall the tortuous preparation of the treaty. In Washington in December 1987, the leaders of both states pledged to sign it by summer 1988. Since then they have made similar promises on another five occasions! But it was only in June 1991, having finally resolved the last "technical matters," that the way was open for its signing. Admittedly, I am not sure that many people will even be able to read the treaty all the way through—after all, because of the technical details, it contains more than 500 pages of text, which in many cases are inaccessible for the "uninitiated."

All these are not secondary details, but rather a symptom of the problems associated with obsolete approaches to disarmament. Because of this, summits and the major, vitally important questions of politics and relations between the two great powers are becoming, as it were, hostage to technical matters that the public and, I fear, the leaders of the two countries are incapable of understanding. Questions, which, I am sure, everyone will have forgotten six months from now—such as the "standard range" [etalonnaya dalnost] of ballistic missiles or the percentage deviation of new types in terms of size [protsent otkloneniye novykh ikh tipov po gabaritam]. I would like to add a rider—I am not calling for these technical details to be ignored. But we cannot make the most important problems of global politics dependent on them, long after admitting that there can be no winner in a nuclear war and that no such war should be fought.

Of course, to a certain extent the overblown role of technical details is linked to the complexity of the military hardware on which restrictions are being introduced. But I think that something else is much more important. Distorted decision making processes and mechanisms, reflecting the past realities of total distrust and enmity, emerged during the "cold war" on these matters, which are critically important for the economic and political well-being of both countries and for their physical survival. These mechanisms, starting from their working levels, allotted the main backstage role in disarmament matters to departments and people whose influence and power depended on the production and number of weapons amassed. While departments of people with a professional interest in seeing negotiations succeed (in our country this would be the Foreign Ministry and diplomats) were left in the minority on the margins of the negotiating process.

All this was natural and tolerable when disarmament played a subordinate role in the policy of safeguarding security. But when life itself is bringing the demilitarization of our countries and their relations to the center of attention, the situation is changing.

Attention is drawn to the fact that specialists (both foreign and Soviet) expressing satisfaction with the fact that work on the treaty has nonetheless been completed are by no means triumphant or jubilant. Quite the reverse, they are expressing doubts: Will both our countries be able to conclude such treaties in the future, expending long years of work and incredible effort on them?

That is why it is so important, despite all the importance of the treaty being signed, for the discussion of disarmament at the coming summit to go far beyond the treaty framework and be a step forward toward a new and untraditional (or, at any rate, rejecting the traditions of the "cold war") approach to disarmament and security.

This seems so important to me for the following reason as well. The contradictions between Soviet-U.S. political and military relations is becoming more and more patent. Whereas the former are developing rapidly and are aimed at the future, military relations between the two countries remain completely rooted in the "cold war." This is creating very serious dangers, and not only foreign policy dangers.

The question of an external threat is closely bound up with internal affairs, largely determining the economic realities, the political "climate" in the country, and its domestic stability. That is why this contradiction cannot persist very long, much less be exacerbated. Either military relations will be brought into line with political relations (this would mark the demilitarization of our countries and their relations) or, conversely, political relations will decline to the level of military relations—under the pressure of obvious domestic forces and problems. There is no other way.

In this sense the forthcoming Soviet-U.S. summit could be a touchstone.

Any policy, of course, begins at home, and both countries could move a long way down the path of demilitarization by displaying restraint and common sense, and by resorting to unilateral steps in disarmament. But there are limits here, not just military-strategic limits connected with security, but psychological limits too. Whereas the first limits are still quite far off in the

conditions of excessive amounts of armaments, we are constantly coming up against psychological obstacles even now.

Most often there are simply no reasonable grounds for retaining old military programs, much less for producing new ones. Instead of reasonable grounds we usually hear: Look at what the Russians (or, correspondingly, the Americans) are doing!

Here too both sides are equally at fault. In the United States, when it is necessary to justify programs for building new missiles or antimissile missiles, people say that the Soviet Union is the only country with a deployed antimissile defense system and the world's largest ABM [antiballistic missile] system, and that it launches more military satellites and tests more new missiles than anyone else. In similar circumstances, people in the USSR bring up the U.S. SDI program, and the U.S. superiority in aircraft carriers and heavy bombers. When it comes to stopping nuclear tests at Semipalatinsk or on Novaya Zemlya, they refer to the nuclear explosions in Nevada.

The future of disarmament and demilitarization clearly lies in combining unilateral measures with bilateral agreements and talks, but talks and agreements of a new kind, unlike those which emerged during the "cold war" years and were by default more a tool for controlling the arms race than a means of ending it. They then turned into a kind of political tranquilizer, a means of reassuring parliaments and publics, and—as U.S. specialists later admitted—they even became necessary to win large appropriations for weapons.

Here is the sum total: In 1969, when the Soviet-U.S. SALT talks began, the United States had more than 4,700 nuclear warheads and the USSR around 2,000 (the difference mainly being due to the U.S. superiority in heavy bombers). After several agreements, which were rightly considered successful at the time (SALT I, SALT II, and the treaty to be signed at the summit), the United States and the USSR will have 6,000 (and in fact 7,000-8,000) warheads each. And this after 22 years of almost continuous negotiations!

So we need a new model for arms reduction talks, and now is just the time to start developing it. Both in talks with the Americans (why not, for instance, institute regular meetings between the two countries' foreign and defense ministers, a joint conversion commission, and so on), and by improving the decisionmaking mechanism on these issues in our own country. We will probably need some alternative mechanism, too.

In particular, we need to give more real power to the political leadership and less power to the technical experts and the negotiations bureaucracy. We also need to ensure that the Foreign Ministry plays the leading role in elaborating negotiating positions in interdepartmental groups.

An effective and well-informed legislature should be a very important alternative mechanism. As a USSR people's deputy and chairman of one of the USSR Supreme Soviet International Affairs Committee's subcommittees, I can testify that in the disarmament sphere (and it is indivisible from the defense and foreign policy sphere) this authority does not yet function as an independent participant.

In this regard, there is something we can learn from the United States. The Pentagon and the country's leadership provide Congress with the information it needs and are forced to submit to its decisions. Not because of their high moral qualities or principles. We are probably their equal in this area. There is another reason—under the Constitution and the law they cannot get even a single dollar for military purposes without the permission of Congress. Of course, even in the United States the situation is by no means perfect—there are cases of sharp practice, lying, and scandals—but the system works. And if the foreign-policy situation is going to continue to improve with our help, the Pentagon will find it even harder to deceive Congress and conceal matters from it.

For the moment, however, we have a lot of ground to make up. Of course, progress has been achieved in the last few years, but it has been very insignificant. I fear that it is not just because of a tradition of excessive secrecy that people do not want to reveal information. Departmental interests are protected more easily when departments' activities are cloaked in secrecy. It is precisely a question of departmental interests rather than of the country's interests or the interests of security.

These powerful departments, it must be said, will not just hand over their secrets to legislators, much less the public. Those secrets will have to be won, as will legislative controls over everything, including military spending. People start telling the truth only when they see that it is the only way to get the money. Our young and still not very strong parliament could be helped in this by the USSR president and by the republics, which ultimately have to pay the mind-boggling bills run up by our military-industrial complex. These bills are paid not only with money collected from people in the form of tax, but also with land (according to PRAVDA information, the military department alone controls more than 40 million hectares), the labor of millions of fellow citizens, economic destruction, and the lion's share of natural resources and industrial potential.

The situation is paradoxical. One would have thought that, with the ending of the "cold war" and the disappearance of the "enemy," the arms race would have ended as well. Militarism, however, which was brought up on the "cold war," has developed its own independent self-preservation mechanisms even if it has lost its justification.

The picture is totally irrational. We are appealing for economic aid from the very countries against whose aggression we maintain huge armed forces to combat,

undermining our might and vitality and wrecking our national economy. Meanwhile, the West is scared that, in the event of our state breaking up, nuclear weapons will fall into some "wrong hands" instead of being in the hands of those who are currently targeting them on the NATO countries!

Can this theater of the absurd last very long?

One would very, very much like the United States and the USSR, having finished off the "cold war," to seriously tackle the dismantling of its obsolete militarism. Otherwise, the threat to peace and international security could recur again and again.

Future Relations Discussed

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[Stanislav Kondrashov "Political Observer's Opinion" under the rubric "On the Eve of the USSR and U.S. Presidents' Meeting": "The Main Thing is the Fate of the USSR"]

[Text] Moscow has hardly been overlooked by Western leaders, particularly in recent years. But among all other visits, a visit by a U.S. President is always an event of particular importance. This is the first thing that comes to mind when you read and hear that, from the evening of 29 July to the morning of 1 August, George Bush will be in Moscow as an official guest. Another thought immediately occurs, too: Compared with previous decades and even with the first five years of perestroyka, Soviet-U.S. summits have become far more frequent and therefore outwardly far less dramatic. Bush is paying his first official visit to Moscow as U.S. President, but in his 18 months in power he has already met M.S. Gorbachev five times—in Malta, Washington, Helsinki, Paris, and recently London.

These five meetings are like five stages on the route of peace, stages that are rapidly changing, mainly because the Soviet Union is rapidly and chaotically changing, too. It is a time of change.... Malta in December 1989 was when the dust was still gathering from the tearing down of the Berlin Wall, and marked the prologue to the unification of Germany. Washington in May-June 1990 marked the first official visit under Bush by a Soviet president, coinciding with B.N. Yeltsin's election as chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet and with panic buying in the stores after N.I. Ryzhkov's announcement of coming price rises. Helsinki in September consisted of a dialogue in connection with Iraq's seizure of Kuwait, which brought about unprecedented cooperation between the two superpowers to rebuff the aggression, strengthening the U.S. world role as a result. Paris last November was when "all Europe" plus America and Canada met to sign the treaty sharply cutting conventional (mostly Soviet) arms from the Atlantic to the Urals. And, finally, London—still fresh in everyone's memory—was where the "G-7," having given their seal of approval to the transformation of the Soviet Union, opened up for us not yet the main gates but just the front door to the world economy. That was where Bush and Gorbachev cleared away the last obstacle to the signing of a treaty reducing strategic nuclear weapons, and thereby to a Bush visit to Moscow.

The treaty-signing ceremony will be the official culmination of the visit. For the first time, quite impressive—30-percent—cuts are being made to the most terrible weapons, which the two main former enemies could fling at each other across continents and oceans. Without sparing any effort, we and the Americans had prepared these arms for each other for more than 40 years. Our side had noticeably fewer resources, but we did not spare them any more than the Americans did—we really let rip. This vanity and the incredible harm done by many years of efforts represent history's most terrible joke and its sentence on a system which forced—and inspired!—the people not to spare any effort.

In the new treaty's wake there will be enough weapons for the Americans and us to destroy each other many times over. But the post-"cold war" era is already resolutely developing over a broad front. It can be called the era of a "farewell to arms." Intermediate-range and shorter-range missiles are already being turned into scrap, "conventional" tanks, armored vehicles, artillery systems, planes, and helicopters are going the same way, and now hard on their heels come intercontinental missiles and strategic bombers. The weapons of the Day of Judgment. The main weapons of confrontation.

While in London, Bush was asked about his attitude to the Soviet Union today—whether he sees it as an ally or still as an enemy—and he publicly demonstrated, as it were, a split opinion: "I believe that while we still have missiles deployed we should be realists.... I am thinking of missiles deployed against each other. That position does not arise with allies."

However, the President went on to correct himself, launching into this curious chain of thought: "...We have come so far that at this moment I would call our relations very friendly. And on our side there is a resolve to help in the further implementation of reform using all means practically possible. Because these reforms are not just internal. They are also being implemented in the direction of democracy and have indeed demonstrated a real interest in it. This means markets, capitalism, and everything that has helped other people around the world, and this could help them. And as this progress continues, I am sure that all obstacles which have previously hampered our friendship—such as arms control problems, for instance, and our fears about each other—will be reduced. An effective way to achieve this is to develop trade. This is a reliable and laudable way of improving the situation."

So, farewell to arms! And long live trade! President Bush, as has been reported, is planning to announce in Moscow that Most Favored Nation status has been extended to

the Soviet Union. The Americans made this issue entirely dependent on freedom of emigration from the Soviet Union during the first detente in the early seventies. The new arrangements mean that taxes on Soviet goods will fall from 35 to 7 percent. But where are the goods which will be exported to America? And where, on the other hand, is the foreign currency to import goods from America? There is not even enough to cover the grain which we are importing and have been importing from there every year since 1963. Our finances, our foreign trade, and our creditworthiness have never been in such a lamentable state.

This can be plainly seen both by U.S. business and by the U.S. Administration. Bush is prepared to help, but cautiously and, needless to say, not to the detriment of the United States. Without his agreement Gorbachev would hardly have been invited to the "G-7" meeting. But there, behind closed doors, Germany, France, and Italy were the most prepared to meet him halfway. The United States, Britain, and Japan were more restrained. Chancellor Kohl has recently been fond of repeating that the Soviet Union must be helped, provided it helps itself. This principle is even more typical of Washington. Whatever speeches Bush may make in Moscow, this remains in force: Will we be able to help ourselves?

Now I will move to what strikes me as the most important point. At all Soviet-U.S. summits the main point, needless to say, has been the question of the state of and prospects for relations between the two powers. Following Malta, Washington, and particularly Helsinki, the emphasis has for the first time shifted from establishing safe limits for rivalry to attempting to define a framework for mutual cooperation. But now even this emphasis has been erased and replaced by another. The main point in Soviet-U.S. relations has become the fate of the Soviet Union.

While in Moscow, Bush will be seeking an answer to this question not just from Gorbachev, because—in the "Nine plus One" equation—the answer does not depend on Gorbachev alone. He will talk with Yeltsin, Ukrainian leaders during a brief stay in Kiev, and possibly the leaders of the Baltic and other republics.

Unfortunately, at this stage none of them individually or even all of them collectively can give a clear, definite, and, so to speak, guaranteed answer as to the shape of a renewed Soviet Union and how the unprecedented concept of a state with dual sovereignty—sovereign states joining in a general sovereign state—will be implemented in practice.

The republics' historical reaction to the many years of diktat by the center has been to assert their independence through weakening the center and even through depriving it of its necessary share of autonomy. For instance, as president of a federal state, Bush does not know and does not want to know what it would mean to live on the sufferance of the governors of the 50 states. The federal government is maintained out of federal taxes. But Gorbachev is facing such a relationship because the largest republics—Russia and the Ukraine—opposed until the last minute the idea of a federal tax, preferring to see the center as a parasite dependent on them.

The last meeting at Novo-Ogarevo was prompted by our domestic requirements. But we cannot fail to see another aspect: Gorbachev would like to be completely clear about the Union treaty before Bush arrives. Apart from anything else this would confirm his power as head of a great state to the outside world. After debates lasting 12 hours the work on the draft treaty was completed, according to the USSR president's statement, although a hitch remains to be resolved in Article 9 (relating to taxation), and, contrary to previous expectations, the treaty is unlikely to be signed before the fall. All this, of course, has been noted by the Americans who have already arrived in Moscow. They are noting something else too—Yeltsin and Landsbergis have timed their own events to tie in with the Bush visit: On 29 July a treaty will be signed between Russia and Lithuania. The choice of date obviously shows a desire to demonstrate to the U.S. President something he knows already—that his main partner in talks in Moscow does not have full control over either the timetable of events or the events themselves.

What is the U.S. President's attitude to this? Clearly, he will be satisfied that Russia—contrary to the center's position—is taking yet another step to make it easier for the Baltic republics to leave the Soviet Union; the United States considers their incorporation in the Soviet Union in 1940 to have been illegal. Recently Bush, along with Congressional leaders, welcomed Yeltsin to Washington as the first democratically elected president of the Russian Republic. As far as can be judged, his administration supports decentralization in the Soviet Union to the extent that decentralization is inevitably accompanied by democratization. Democratization—and this too suits the United States—is being accompanied by demands for the radical demilitarization of the Soviet Union, and for a rapid and sharp cut in military spending. In other words, the success of democratic reform guarantees the Soviet Union's future and irreversible farewell to the legacy of the "cold war"—the crazy arms race. Here the interests of both countries and their peoples obviously coincide.

On the other hand, decentralization, if not controlled by the participants in the political process, will mean anarchy, collapse, and a sharp reduction in the prestige of central authority. It is no secret that central structures in the USSR are already largely demoralized because of uncertainty about their future and—returning to the main issue—the Soviet Union's future. How is this affecting our strength and, thereby, the fate of the nuclear arms reduction treaty?

It was reported from Washington recently that Richard Cheney had cut by 3,000 the list of targets for nuclear strikes in East Europe (which is now wholly excluded

from the list) and the Soviet Union. However, this still leaves 7,000 targets, of which 5,000 are on Russian territory. Yes, Bush is right: The two countries' missiles are still deployed against each other. His chief general, Colin Powell, was also correct when he recalled in a speech to a select military audience in Moscow on Wednesday that the Soviet Union could annihilate the United States in (just!) 30 minutes. The two powers still live under the protection of the deadly atom, and, even after the new treaty's conditions are fulfilled, the Soviet Union will have 7,000 nuclear warheads, and the United States a slightly larger number.

Who will control these weapons in the event of an uncontrollable development of events in the USSR? Americans are worried that today's firm assurances would be no guarantee for the future if events were to develop in this way. They have their own vitally important stake in political stability in the USSR and in the smooth progress of our reforms. Hence the supreme balance shown by Bush in his behavior in relations with the center and the republics in the Soviet Union. Americans will attentively monitor how real influence and power are redistributed in the Soviet Union, and change their behavior accordingly. To that end, as the London summit showed, the industrially developed "seven" intend to practice a system of encouragement and punishment in the process of including the Soviet Union in the world market system. They also insist on the preservation of a single economic space in the USSR as an obvious condition.

In the past six years we have moved at a dizzy pace from a coercive, monolithic totalitarian power to a state with an undefined future—and an undefined concept of new statehood. Of our old claims to greatness only one is left—our surviving nuclear weapons. The economy, many people in the West believe, is in free-fall, and the continuation of a power vacuum—or, rather, an interregnum—will doom all attempts at stabilization to failure from the outset. Our place in the world used to be defined by a strategy of global confrontation with the West based on armed force. This provided for the Soviet Union the role of the second world power center after the United States. Now our remaining gigantic force has been stripped of its global meaning and mission. Our place in the world "shrank" to within our state borders after the USSR left the East European countries to "go their own way" and stopped being the mentor and patron of a number of "third-world" regimes.

The old concept of patriotism, which was imposed not only by deep-rooted tradition but by state ideology, has been pretty much undermined. A new concept has not yet come into being, nor have unifying ideals—yet society cannot exist happily without a sense of common purpose.

Under the tsars the Russian ruling class, the gentry, imitated the British or the French. Under the "commissars" America became the overt or covert yardstick. That was where we looked to, across the ocean—bypassing Europe, which, in our view, was not on the same scale. Nuclear weapons and intercontinental missiles reaffirmed that we should compete only with America. When we looked at it under Khrushchev, we boasted of our lead in space. Under Brezhnev, sparing no effort, we strove for strategic parity—and, as it were, achieved it. It became an end in itself, not related to human rights or to the protection of a high living standard.

Under Gorbachev we have started talking about civilization, and its main criteria were once again seen in the United States, from its two-party system and separation of powers to its evangelist preachers and hamburgers. Whereas during previous visits to Moscow the U.S. President used to raise the question of persecuted human rights campaigners, strictly carrying out the democratic ritual and encountering embarrassment and unhappiness on the part of his interlocutors, now the situation has changed strikingly. Bush has his own lever of support in Soviet society, influential elite elements of which are publicly stating their solidarity with the U.S. position and, if need be, against the USSR president. The independent and liberal press shares Bush's rather than Gorbachev's views of, for instance, the refusal of aid to Castro's Cuba, and the Soviet Government takes the same position. The republics draw their strength from the weakness of the center. Gorbachev has been forced to give in to them, to the West, and to the United States, using concessions to buy the outside world's political support, which is then presented to the republics as proof of his usefulness in foreign policy. In many ways a historic figure, he at times resembles a tightrope walker, with both sides of the rope in the hands of people who are not under his authority.

That is the complex and varied picture which will greet the U.S. President during his brief stay in the Soviet Union. I will not guess what conclusions he will draw—in addition to those which are already known. He is unlikely to draw any new conclusions. But for us, faced with an overseas guest, the main conclusion is also nothing new: Without self-help and a proper degree of agreement and responsibility in building our common destiny we will neither achieve any improvements nor retain the respect of other peoples and their politicians.

Economic Issues To Dominate Summit

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[By correspondent Andrey Loshchilin]

[Text] Moscow July 28 TASS—Economic issues will be prioritised at the forthcoming Soviet-U.S. summit, analysts here believe.

As the cold war has receded into the past, trade and economic matters move to the fore in relations between the Soviet Union and the United States.

These matters are particularly topical for the USSR which acutely needs the modernisation of its industry, the saturation of the domestic consumer market, a radical improvement of the financial system and real integration into the world economic relations, which is inconceivable without large-scale cooperation with leading industrialised powers.

The state of affairs in Soviet-U.S. economic relations can hardly be described as satisfactory now. The volume of trade between powers with the world's largest GNP runs at less than five billion dollars a year. The USSR accounts for only 0.5 percent of U.S. trade turnover while the U.S. accounts for only one percent of Soviet trade turnover. For the sake of comparison: The Soviet share in Germany's foreign trade is 10 percent.

There were 375 Soviet-U.S. joint ventures out of 2,905 joint-venture enterprises registered in the USSR by the beginning of this year. By this indicator, the U.S. is fourth after Germany, Italy, and Finland. However, most of Soviet-U.S. joint ventures, unlike Soviet-West European ones, either do not function or are engaged in the non-production sphere.

There are many causes of that, apprehensions of U.S. businessmen about guarantees for their capital investments, the instability of the political situation in the Soviet Union, the scantiness of Soviet export resources, the "war of laws" between authorities, and bureaucratic obstacles that still stand in the path of entrepreneurs in this country.

But the main cause is that the USSR is lacking the status of a nation enjoying the Most Favoured Nation (MFN) trading status in trade with the U.S.. Such a status has been granted to more than 100 countries.

Since 1951, when the Soviet Union was deprived of the MFN status, draconic tariffs have been imposed on Soviet imports into the United States, which deprives many an American company of a stimulus to invest funds in the modernisation of Soviet businesses that strive to get out to the world market, and sharply reduces currency revenue or simply scares away even those few Soviet producers of goods that are competitive in the U.S..

The granting of the MFN trading status to the USSR would make it possible, according to estimates by U.S. economists, to increase the annual volume of bilateral trade from five billion dollars to at least 10-15 billion dollars.

The getting of the MFN trading status by the USSR is being blocked by the Jackson-Vanik amendment endorsed by the U.S. Congress on December 20, 1974, and linking such step with the lifting of all bans on the freedom of emigration from the Soviet Union.

Washington's reaction to the passage of the exist and entry law by the Soviet parliament was reserved-and-encouraging. But no one so far will venture to maintain with a hundred percent certainty that the discriminatory amendment will be rescinded before January 1, 1993, when the new Soviet legislation is due to enter into force.

TV Prepared To Cover Visit

LD2807133991 Moscow TASS in English 1324 GMT 28 Jul 91

[By correspondent Vladimir Yegorov]

[Text] Moscow July 28 TASS—"We shall do our best to follow every step of the distinguised guest, within permissible limits, of course," Aleksandr Kraminov, one of the directors of the international news service of the all-union radio and television network (Teleradio), told TASS in comment on Soviet television plans for the coverage of President Bush's official visit to the Soviet Union.

Ever since the presidential jet lands at Sheremetyevo airport on Monday night, footages about the stay of the U.S president and his wife will be featured in the popular news programmes Vremya, the TSN, special morning and evening news bulletins, Kraminov said.

High-class professionals well-versed in Soviet-U.S relations have been invited to cover the visit, he added. "We are planning to use every opportunity for live telecasting—be it the two presidents' stroll in the Kremlin, a visit to an artist's studio, a ceremony of the signing of a strategic arms reduction treaty, or a joint news conference of the two presidents", he said.

The Teleradio management intends to prepare a full-length television film on the results of the summit.

AP Poll Cited on Views of USSR

LD2807072391 Moscow TASS in English 0709 GMT 28 Jul 91

[By correspondent Mikhail Kolesnichenko]

[Text] New York July 28 TASS—A majority of Americans believe Soviet President Mikhail Gorbachev is sincere about meaningful reform in the Soviet Union but a third of those doubt he will be successful, an ASSOCIATED PRESS poll shows.

On the eve of the Moscow summit meeting between U.S. President George Bush and Gorbachev, public opinion that the Soviet presidents wants reform prevails by 60 percent to 18 percent, with more than a fifth not sure.

Those who consider Gorbachev a genuine reformer and believe he will succeed make up 25 percent of the 1,007 adults interviewed by telephone for the AP poll by ICR survey research group of media, PA.

A large proportion of respondents believe that the United States should help the Soviet Union in the cause of economic stabilisation. Sixty-one percent of those polled think the Soviet Union should be granted the

Most Favoured Nation trading status. A majority of respondents expressed a wish for more active development of trade- and-economic relations with the USSR.

"Some people suspect that the breakup of the Soviet Union could actually be a danger to the United States. Some see the rising ethnic strife in the Soviet Union as a kind of foretaste of ethnic strife even in the united states," Henry F. Graff, a Columbia University professor who specialises in the presidency and U.S. diplomatic history, told the AP.

Americans oppose providing foreign aid to the Soviet Union by 60 percent to 32, according to the poll. The Americans' opposition to the granting of direct economic aid to the Soviet Union is accounted for, primarily, by a desire to spend the funds for social programs back at home, not by antagonism to the Soviet Union, Professor Graff said.

In the poll, 28 percent say their feelings towards the Soviet Union are generally favourable, 11 percent say generally unfavourable and 56 percent say neutral.

U.S. Spokesman Cited on Arms Issues

LD2707185891 Moscow TASS in English 1820 GMT 27 Jul 91

[By correspondent Igor Barsukov]

[Text] Washington July 27 TASS—The Soviet-American treaty on the reduction of strategic offensive armaments, due to be signed during the Soviet-American summit in Moscow, will strengthen strategic stability on a lower level of nuclear armaments. This was stated at a briefing in the White House on Friday by the Bush Administration spokesman, who preferred to remain anonymous. I think it will be just to say that the treaty meets all our main objectives, its provisions are aimed at encouraging the restructuring of the nuclear forces in such a way as to make them more stable and less threatening, he pointed out.

The administration spokesman stressed that the treaty is important because it will lead for the first time to real reductions of strategic nuclear forces by both sides. An unprecedented system of control is one of its advantages. The treaty envisages regular exchanges of information about the strength, location and technical characteristics of weapon systems, which will permit to ensure reliable control over the fulfillment of the treaty.

The administration spokesman told journalists that, in accordance with the statement made by the Soviet and American presidents at the 1990 summit in Washington, after signing the treaty on strategic offensive armaments the two countries will continue to discuss issues dealing with strategic stability and the correlation between the defensive and offensive weapon systems. Consultations on those issues will begin without delay after the signing of the Moscow treaty on strategic armaments. We certainly intend to fulfil the agreements reached in Washington, he stressed.

The question was asked at the briefing about the continuation by the U.S. of the work dealing with the "strategic defence initiative", specifically, whether or not the deployment of the ground-based anti-ballistic missile system will hamper the reduction of strategic armaments in the future. The spokesman said in this connection that President Bush continued to support the programme of the creation of a global system of protection against nuclear attacks. In his opinion, the deployment of such a system will make it possible to lessen the threat of an unsanctioned or accidental launching of missles. He said that strategic defence can strengthen security confidence on the lower levels of offensive armaments.

Pre-Summit Powell, Yazov Meeting Reported

PM2607130991 Moscow IZVESTIYA in Russian 24 Jul 91 Union Edition p 1

[Report by V. Litovkin: "Before the Summit Meetings the Generals Negotiate"]

[Text] On July 22 General Colin Powell, Chairman of the U.S. Joint Chiefs of Staff, arrived in Moscow on an official visit. On the same day he met and held talks with Army Gen. Mikhail Moiseyev, chief of the USSR Armed Forces General Staff, and also with Marshal of the Soviet Union Dmitriy Yazov, the USSR defense minister.

Before the meeting with Powell, the USSR defense minister told journalists in his office in Arbat Square that relations had evolved between the Soviet Union and the United States the tone of which was set by their traditionally firm high-level contacts, and which are being strengthened at all levels of Soviet-U.S. links, including the military sphere. We are expecting G. Bush to come at the end of July to sign the Strategic Offensive Arms Reductions Treaty with USSR President M. Gorbachev.

"If you compare this treaty with the already implemented intermediate-range and shorter-range missiles treaty, its significance for the world community is several times greater," D. Yazov said. "The security of not only our peoples, but also of the entire world will be firmer by the same margin."

Gen. Powell also stressed that his new visit to the Soviet Union will serve to further strengthen mutual understanding between the USSR and the United States and stability on the planet.

The five-day program of the U.S. general's visit includes a meeting with the USSR president, a visit to the Taman Motorized Infantry Division and the Kantemirovka Tank Division, viewing the combat technology with which they are equipped and the life and routines of Soviet soldiers; and also a trip to an aviation garrison in

Kubinka, the paratrooper subunits in Tula, a demonstration of a new operational-tactical missile complex in Teykovo in Ivanovo Oblast, meetings with students and lecturers of the General Staff Academy, and trips to Irkutsk, Khaborovsk, and Vladivostok, where it is planned that he will again be familiarized with the life of the Soviet Army and Navy and their weaponry.

But of course the four-star American general's main purpose in the USSR is not to go on excursions round the country or to view the Army, thorough knowledge of which is part of his duties—the main thing, experts believe, is to remove the last rough edges in the drafting of the new treaty. It is due to be signed 30-31 July.

Powell concludes Visit

LD2807123991 Moscow TASS in English 1233 GMT 28 Jul 91

[By correspondents Timofey Orekhov and Vladimir Palagutin]

[Text] Vladivostok July 28 TASS—General Colin Powell, chairman of the U.S. Joint Chiefs of Staff, today ended his official visit to the Soviet Union and left by air for home.

On the final day of his stay in the USSR, General Powell was a guest of honour at a naval sports festival here on the occasion of the Soviet navy day.

Together with General of the Army Mikhail Moiseyev, chief of the Soviet Armed Forces' General Staff, and Admiral Gennady Khatov, commander of the Soviet Pacific Fleet, Powell took part in a ceremonial inspection of navy ships, watched an amphibious operation with fire support provided by helicopters, demonstration missile firing on a surface target, and parachute jumps. The guests visited a combatant ship and a marine unit.

During the tour of the country, Powell was accompanied by Moiseyev, other Soviet military leaders, as well as by General Gregory Govan, military attache at the U.S. Embassy in the USSR.

Soviet, U.S. Trade Experts Meet in Moscow

OW2907052691 Moscow INTERFAX in English 1800 GMT 26 Jul 91

[From the "Diplomatic Panorama" Feature; following item transmitted via KYODO]

[Text] A leading U.S. expert in trading policies and export regulations, Prof. Birch of Georgia University, now in Moscow, is due to meet on Monday with officials of the Soviet foreign ministry's department for world economic relations. One department official told an IF [INTERFAX] correspondent that the meeting could be crucial for liberalising the Soviet Union's trade with the United States and the West as a whole. During his recent talks with G-7 leaders in London, Mr. Gorbachev expressed concern over COCOM restrictions on East-West trade. Prof. Birch is hosted by the co-chairman of the centre for East-West trade policy under the Institute for International Economics and International Relations.

U.S. Firm To Install Phone Exchanges in Moscow

OW2907065591 Moscow INTERFAX in English 1800 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] The American company U.S. West Inc. and the USSR Ministry of Communications have announced today that they have signed an agreement in accordance with which the American company is to take part in financing and running new digital international telephone exchanges in Moscow, Leningrad and Kiev.

The Soviet Communications Minister, Gennadiy Kudryavtsev, said at a press conference in Washington that the exchanges would be "a corner stone in the Soviet Union". The number of international lines in Moscow will go up from today's 1,200 to more than 16,000, and Kiev and Leningrad are going to have 4,000 lines each. All these cities will thus have direct connection with all parts of the world.

U.S. West Inc. is planning to invest about $18 million in the joint project during two years and will be getting part of the revenues from the phone calls made via the new system. The exchanges are to be ready by the end of next year.

IZVESTIYA Subscribes to AP Service

PM2907092591 Moscow IZVESTIYA in Russian 25 Jul 91 Union Edition p 5

[Unattributed report: "AP in IZVESTIYA"]

[Text] Starting from today the letters AP—the abbreviation for one of the world's largest news agencies (and the largest in the United States), to which our newspaper has started subscribing—will feature in the IZVESTIYA teletype room and above the front-page column of brief news reports. AP news, together with REUTER, AFP, UPI, and DPA reports, will, we hope, help to provide fuller and more immediate coverage of world events.

Aircraft Displays in U.S., Canada Approved

OW2907100991 Moscow INTERFAX in English 0930 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] Prime Minister Pavlov has signed orders on Soviet participation in an air show in Anchorage, Westfield, Cleveland, Makato, Topeka, Fort Worth, Salinas, and Harrisburg (USA) and Comox and Winnipeg (Canada) in August-October.

The event is known as the International Goodwill Air Show. Soviet M1G-29 and M1G-29UB aircraft will be demonstrated. The equipment, spare parts, and specialists will be transported to North America by the Defence Ministry.

All the foreign currency returns from the show will be spent by the Ministries in charge of the demonstration on purchasing electronic and other equipment for Soviet aircraft-building.

Gorbachev Greets Soviet-U.S. Youth Conference

LD2807203891 Moscow All-Union Radio Mayak Network in Russian 1900 GMT 28 Jul 91

[Text] Mikhail Sergeyevich Gorbachev, president of the USSR, today sent greetings to a Soviet-U.S. conference of young figures. In it the following is stated, literally:

I greet you, young scientists, politicians, and entrepreneurs. It is symbolic of the profound changes in the world that Soviet and U.S. figures from various professions are turning more and more often to a joint search for solutions to everyday problems in world development. Hope for contemporary progress lies in such cooperation, on the basis of mutual respect, taking into account the interests of various countries and of respect for the fundamental values of humanism—all the more so as more and more young people are participating in creative undertakings of this kind. I wish you success.

I remind you that this was an address by Mikhail Sergeyevich Gorbachev, the president of the USSR, to the Soviet-U.S. conference of young figures.

Nikolayenko Sees Officials on African Conflicts

LD2707013191 Moscow Radio Moscow World Service in English 1600 GMT 26 Jul 91

[Text] The Soviet chief of the Latin American Counries Administration of the Foreign Ministry, Valeriy Nikolayenko, now in the United States, has held consultations in Washington with U.S. assistant state secretaries about a negotiated settlement to conflicts in Latin America, including El Salvador, and on the African Continent. The two sides said it was important to use the experience gained by the superpowers to bring about peace in Nicaragua, Namibia, and Angola, as well as the United Nations mediatory role.

Political & Social

More Reportage on Party Plenum, Gorbachev Speech

Gorbachev's Closing Speech

PM2607223191 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 1

[Unattributed report: "M.S. Gorbachev's Concluding Speech at CPSU Central Committee Plenum on Discussion of Draft CPSU Program"]

[Text] The plenum, he said, is being held under exceptional circumstances. The actual subject under discussion—the future CPSU Program—lends it a special significance.

Some people have been very much wanting to whip up political feelings of late. Even during the debate every acute, polemical idea immediately animated our entire meeting. We did not get by without our usual boilerplate and cliched approaches—the search for enemies, witch-hunts, and the leveling of accusations and ultimatums. Attempts were made to reduce all the complexity and contradictory nature of our history and present-day life to simplistic formulas.

Yet this was not the theme running through the plenum. Unlike certain plenums in the past, this plenum was dominated by a sensible, businesslike approach. In most speeches the draft program was subjected to a thorough analysis from both the general theoretical standpoint and the political standpoint, and set in the context of the urgent tasks of our society's development. This approach has a great deal of potential. We must keep to this constructive approach in the future; while voicing our own opinions, we must patiently listen to each other, make for a comradely atmosphere, and reinforce the healthy trend which has been manifest here.

As a result of this substantive discussion we have made substantial gains for further work on the draft program, the need for which, as was reemphasized at the plenum, is now acutely felt in the party.

In a number of speeches and at the Program Commission the question was raised of what kind of program we need. Some people proposed making an extensive theoretical analysis of the past and of today's social processes. Incidentally, there is plenty of work and material available to this end, people have been questing, there have been versions of the draft which were 100 pages long, others 20 pages long, and so forth. Other comrades believe that we should restrict ourselves in the program to the nineties, in the light of the exceptional importance of decisions which will have to be made during this period.

I think that both sets of people are correct in their own way. Based on this we proceeded in the Program Commission. The first group are correct because, as V.I. Lenin warned, if you fail to look into general matters, you will constantly come to grief on individual matters. That is why we need a certain "core" of theoretical thought to help us to understand the lessons of the road we have traveled—to understand what is happening to us and to the outside world. Communists, continuing to strive for the implementation of the socialist ideal, cannot make do without this. At the same time, those comrades who say that people are primarily expecting an answer to the question of how we will live in the future, where we will go, and what we will do are correct too.

Of course, we cannot usurp the role of the Cabinet of Ministers and include in the party program a list of specific anticrisis measures. This means that we need a sensible synthesis of the two approaches. We need a general theoretical and political analysis, but the program should be up-to-date and able to answer people's urgent questions about the main problems of modern social development.

I say this to allay any suspicion that I am undervaluing theory and avoiding making an acute political assessment of everything currently taking place in society. No, there has been and will continue to be questing in these areas. But now we need quite a theoretically mature and politically topical program for a party which can write "Socialism, Democracy, Progress" on its banner and act in practice to achieve those ends. That was the thinking during the work on the draft. You yourselves will judge how successful it has been.

Indeed, comrades have already expressed their attitude to the document. Many substantive comments, which will help the Program Commission in its work, have been made. But we need to show moderation when taking account of proposals. The document should be relatively short and, I would say, readable and accessible. After all, we want it to be read, understood, and taken on board by as many of our fellow citizens as possible. This can be achieved if the program is innovative rather than a collection of invocations. We need to profoundly analyze the realities of our society and of the entire course of world civilization. These realities make the modern socialist choice promising.

Those comrades who think that the draft tries to hide some things behind vague formulas clearly find it hard to understand the new way a number of problems dictated by the dynamics of life are being posed. If some people prefer to clarify formulas, I am in favor of this.

We, as a party with its own character and using the method of Marxist dialectical analysis, should have a full picture of the realities of development, without bending the knee to any dogmas.

We cannot fail to see that a new 21st-century civilization is being born. Otherwise we would be overlooking the main thing. The draft attempts to mention this. This is a very important theoretical conclusion from which many political conclusions should be drawn.

It is exceptionally important that we are proclaiming ourselves to be a party of democratic reform. Given the severe confrontation and level of political standards existing in our society, only pluralism of opinions and the democratic comparison of positions within the framework of constitutional legality will allow us to find the truth. Let whatever party prove its correctness within this framework, put its programs to society, and win its support. But if we follow the line of "suppressing," "destroying," "deriding," and "crushing" others, we will find ourselves in a dead end, taking a step backward, and moving toward general ruin. Such calls and methods cannot be adopted by a party which advocates socialism, democracy, and progress.

Nor can we fail to see that society has grown tired and unwilling to tolerate new upheavals, confrontation, and excessive social tension. It breathed a sigh of relief when the call went out to place the interests of the people, the fatherland, and the state over and above all party political disputes and contradictions. Latching on to this general trend, it is very important to master the course of reform and a civilized approach to politics.

And I would remind those who are frightened by the concept of "reformism" of V.I. Lenin's words when he wrote in 1921 that the revolutionary approach needs to be replaced—these are his words—"in the sense of a clean and complete break with the past" by "an entirely different, reformist approach." So we should not fear any reproaches about reform or even reformism. It is all a question of the direction [napravlennost] of reform.

In my report yesterday I said that the model imposed on the party and society for a number of decades had suffered a strategic defeat. This conclusion is of the most fundamental importance. It follows from it that we have arrived at the need for a fundamental new change in our entire view of socialism. We will find no answers to our questions in the old model. Just as our friends, whom we helped to "experiment" with this model in their own countries, were unable to find any. Yes, this is a crisis for socialism and the socialist ideal. But the crisis can be overcome, it may be followed by recovery and a decisive new step forward by the renewed organism.

In short, now is the time for the most profound, responsible thinking and decisionmaking. But if we stamp our feet or slow hand-clap speakers we dislike, while excessively applauding speakers we do like, we will never arrive at any sensible conclusion. Let's leave this behind us, if only at party Central Committee plenums.

I agree that the draft should be clearer about the inevitability of perestroyka. Nobody thought it up, it came knocking at our door in 1953, 1965, 1966, in the 1970s, and in the early 1980s, when, it must be said, all society was seething.

On the whole, I would like to state my satisfaction once again at the important discussion we have held, despite all its shortcomings.

I think that we should instruct the CPSU Central Committee Secretariat to urgently generalize the results of the debate and convey them to the Program Commission. Everything valuable that is in the spirit of innovation and continuity should be utilized. The draft will only gain from this. Within a week—or at most 10 days—we should publish the document and submit it for partywide debate, as was proposed.

One final point. We are all heavily involved in our internal party affairs, and this is natural—the fate of the party requires attention and the greatest responsibility. But in no circumstances now can we be exclusively preoccupied with internal problems. If this happens, we will lose touch with the life of society. Society needs the immediate implementation of the anticrisis program, the solution of the food problem, preparation for winter, and supplies of energy and heat for everyday life and production. Communists cannot fail to show concern for the people's needs.

Our party must increasingly reveal itself actively as a party of political action. This thesis must be enshrined in the program, and it must be implemented more extensively and specifically. The party's closeness to the workers, peasants, and intelligentsia, to labor collectives, is the key question now. People must be helped to overcome everyday difficulties and to get through the present difficult stage of social development. The party's role here is irreplaceable, and it must be implemented regardless of how exgtensively we are involved in our own internal party affairs, M.S. Gorbachev concluded.

Gorbachev on 'Crisis of Socialism'

LD2607192391 Moscow TASS in English 1901 GMT 26 Jul 91

[Text] Moscow July 26 TASS—Mikhail Gorbachev, Soviet Communist Party leader and national president, has expressed satisfaction with the far-reaching discussion at the party Central Committee's plenary meeting that closed here today.

"Unlike some previous meetings, this plenum is marked by a sober, business-like approach," said Gorbachev.

The substantive discussion made "a considerable contribution to the further work of the draft programme, the need for which, as it was reiterated at the plenum, is felt keenly in the party today."

Gorbachev rejected suspicions about the underestimation of theory and the departure from the acute political assessment of current developments in society. He emphasised that "the search in this direction has and will continue. What we need now is a party programme that would be sufficiently mature theoretically and topical politically, a programme that can inscribe on its banner: 'socialism, democracy, progress' and act for the attainment of these objectives."

"It is of exclusive significance," Gorbachev said, "that we speak about ourselves as a party of democratic reforms."

"it is only the plurality of opinions and the democratic comparison of views within the framework of constitutional law that will make it possible to find the truth," he remarked.

"The model that has been imposed on the party and society for decades has suffered a strategic defeat," Gorbachev stated. "This conclusion is of principled significance. It follows from this conclusion that we have come to face the necessity of a new drastic change of our entire viewpoint on socialism.

"We will not find an answer to our queries within the framework of the old model. Our friends whom we had helped to 'experiment' with this model have failed to find the answers either.

"Indeed, this is a crisis of socialism and socialist idea. But crisis can be overcome. It can be followed by recovery and a new, resolute step forward by the rejuvenated organism," Gorbachev said.

Noting that the programme should be updated, Gorbachev stressed the need to publish the draft for an all-party discussion in a week, maximum ten days.

Stressing that the "party should be actively turned into a party of political action", Gorbachev said that the "key iseue" today is "the party's closeness to workers, peasants, intellectuals, to work collectives."

"It is necessary to help people overcome day-to-day difficulties and cover this difficult path of social development. In this, the party's role is indispensable, [word indistinct] should be exercised irrespectively of [word indistinct] with our internal party affairs." Gorbachev [word indistinct] in conclusion.

Gorbachev Meets Communist Workers, Peasants

LD2607173691 Moscow TASS in English 1712 GMT 26 Jul 91

[Text] Moscow July 26 TASS—Mikhail Gorbachev, national president and Communist Party general secretary, today met with workers and peasants who are members of the party Central Committee and Central Control Commission.

They had a frank discussion about the state of affairs in the country and in the party and advanced proposals, the implementation of which is believed to provide social protection for working people under market conditions.

Gorbachev, Supreme Soviet Chairman Anatoliy Lukyanov and Prime Minister Valentin Pavlov replied to numerous questions from the meeting's participants.

Central Committee Criticizes Yeltsin Decree

PM2707122391 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 1

["CPSU Central Committee Statement"—PRAVDA headline]

[Text] The CPSU Central Committee Plenum believes that the RSFSR [Russian Soviet Federated Socialist Republic] Presidential Decree "On Ending the Activity of the Organizational Structures of Political Parties and Mass Social Movements in RSFSR State Organs, Institutions, and Organizations" is aimed at a significant restriction of civil rights and freedoms, the dismantling of democratic achievements of recent years, and the exacerbation of confrontation between social structures and state organs. This unlawful act is dealing a blow to people's hopes of achieving civic accord, and completely groundless political tension is being created in the largest Union republic.

The implementation of the decree will lead to a curtailment of various forms of participation by working people in managing production, it will provide scope for administrative tyranny and lawlessness with respect to working people, and will weaken the institutions of social protection, which are particularly necessary in the face of emerging market relations. It violates generally recognized norms enshrined in the international pact on civil and political rights.

The CPSU Central Committee Plenum supports statements by trade union and social organizations and Communists' meetings, which resolutely condemn the antidemocratic and anticonstitutional leaning of the decree and the attempts to turn the country toward the path of authoritarianism.

The Central Committee plenum believes that the process of democratic transformations in Soviet society must be developed and deepened in the spirit of genuine people's power. Party organizations operating within the framework of the law will consistently defend the rights of working people and will collaborate with soviets of people's deputies, trade unions, and leaders of enterprises and social movements. Party organizations affirm their right to operate in labor collectives by everyday active participation in resolving issues that are vitally important to people.

The Central Committee plenum calls on all parties and movements, and on trade union, youth, women's, veterans' and other social organizations to unite in the name of defending the rights and freedoms of Soviet people.

The plenum calls on RSFSR Communists to close ranks, display restraint, preserve their organized nature, and consistently defend the basic interests of working people. The participants in the plenum express their solidarity with Communists from the Russian Federation. Laws and legality are on our side.

The CPSU Central Committee Plenum insists that the USSR president, the USSR Supreme Soviet, and the USSR Constitutional Oversight Committee immediately make a legal assessment of the RSFSR Presidential Decree, and protect democratic gains.

Adopted at the CPSU Central Committee Plenum 26 July 1991.

Gorbachev Prepared To Counter Decree

LD2607132491 Moscow Radio Rossii Network in Russian 1229 GMT 26 Jul 91

[Report by Aleksey Abakumov]

[Excerpts] [Abakumov] Today is the second day of the work of the CPSU Central Committee plenum, a plenum which will hardly be called historic. As yesterday—or more precisely, as usual—the meetings of the top party figures took place behind closed doors. Journalists were not allowed into the hall. I wonder what the CPSU leaders are hiding, and from whom. I will have to report on what has happened at that forum using the words of members of the Central Committee and the Central Control Commission.

Today, up to the break, they continued discussing the draft CPSU program. This draft will be finalized, taking account of comments that have been expressed, and will then submitted for nationwide discussion. [passage omitted]

In the meantime, critical shots have been fired mainly outward. The Russian president's decree on removing party structures has been selected as the target. Evidently, the determined mood of the members of the Central Committee and the Central Control Commission enabled Communist Party, General Secretary Mikhail Gorbachev, to state that all constitutional measures will be taken, up to and including a decree of the USSR president. [passage omitted]

During the discussion of the draft programme, although unanimity prevailed on the whole, various view points were expressed, from the orthodox communist to the social democratic. Anatoliy Lukyanov, chairman of the USSR Supreme Soviet, declared: I am for a party of democracy, a party of socialism, and a socialist market. [passage omitted]

Shevardnadze Removed From Central Committee

LD2607200791 Moscow TASS in English 1946 GMT 26 Jul 91

[Text] Moscow July 26 TASS—The plenary meeting of the Soviet Communist Party Central Committee, that opened on Thursday, ended its work today.

Ten people took part in the discussion of the draft party programme and the report of the General Secretary Mikhail Gorbachev.

Gorbachev summed up the results of the discussion. Central Committee Secretary Alexander Dzasokhov spoke on behalf of the commission formed at the plenary meeting.

USSR people's deputies from the Soviet Communist Party were nominated at the plenary meeting, to replace those who resigned.

Organising matters were discussed. Kalashnikov, head of a department of the Lenin Electrical Engineering Institute from Leningrad, and I. Melnikov, secretary of the party committee of Moscow University named after Lomonosov, were elected secretaries of the Party Central Committe. A. Maltsev, first secretary of the Nizhni Novgorod Party Committee, was elected member of the Central Committee Secretariat.

The plenary meeting relieved Stepan Pogosyan of the duties of Politburo member because of the termination of his activities as first secretary of the Central Committee of the Communist Party of Armenia.

The plenary meeting removed from the Central Committee Ivan Silayev, in accordance with his application, Eduard Shevardnadze because of the resignation from the party and A. Berezin—because he was expelled from the party.

The plenary meeting heard a report of Central Committee secretary Yuriy Manayenkov on the results of the work of a commission that studied the situation in Estonian party organisations.

The plenary meeting adopted a number of resolutions and a statement.

New Central Committee Secretaries Elected

LD2607200291 Moscow Central Television First Program Network in Russian 1800 GMT 26 Jul 91

[From the "Vremya" newscast]

[Text] Decisions were adopted on the results of the plenum—"On the draft CPSU program and tasks of party organizations with regard to discussing it" and "On convening the 29th extraordinary congress of the CPSU." The Central Committee Plenum nominated candidates for USSR people's deputies from the CPSU to replace deputies who have left, and adopted a decision on the procedure for the election of USSR people's deputies from the CPSU.

Organizational matters were examined. Vladimir Kalashnikov, a head of department at the Leningrad Ulyanov-Lenin Electro-Technical Institute, and Ivan Melnikov, secretary of the party committee of the Moscow Lomonosov State University, were elected secretaries of the CPSU Central Committee.

The plenum adopted a statement on the Russian Soviet Federated Socialist Republic [RSFSR] president's decree. It includes the cessation of the activity of the

organizational structures of political parties and mass public movements at RSFSR state bodies, institutions, and organizations. The document expresses negativity to the recently promulgated decree. The plenum participants issued a request to the Constitutional Supervision Committee and the USSR president for a ruling on whether this act was constitutional.

The plenum heard a report from Manayenkov, secretary of the CPSU Central Committee, on the results of the work of the commission studying the state of affairs in Estonian party organizations, and adopted a decision on this matter. The plenum documents are being published in the press.

Control Commission Member Views Plenum

LD2607135591 Moscow All-Union Radio First Program Radio-1 Network in Russian 1200 GMT 26 Jul 91

[Interview with German Ivanovich Zagaynov, member of the CPSU Central Control Commission, by Yuliy Semenov "During the CPSU Central Commission plenum;" place not given—recorded]

[Text] [Semenov] German Ivanovich, what do you see as being unique to this particular plenum, and what is its meaning in terms of the situation in society and in the party?

[Zagaynov] In my view, this plenum could turn out to be a turning point as regards the situation in the party insofar as we have gathered together for the first time to think about the party's program, the party's fate, and to interpret what has happened without trying to tackle specific petty problems. Rather, if we try to gain a strategic understanding of the fact that if we agree on a program for the party, then that will be the point from which we can lauch concrete actions in all directions.

I would put it this way: we have taken an important step in only one sense—we have rejected the past, but I think that in the new formulas we have still not attained the clear understanding that we really should have already had by today. The main thing which is clear is that the program and the concern of the party need to be directed toward people, toward their development, toward a democratic society, but a society in which labor can be stimulated, toward a calm rejection of dogmas and -isms and a calm contemplation of what mankind has achieved and what we have achieved. The most important thing now in adopting a program is that we need to have a sort of mini-program of specific actions for the near future.

[Semenov] Tell me, there was a lot of talk prior to this plenum regarding confrontation and sharp discussions between various tendencies and groups that are forming within the party. Like everything in our life, politics is a combination of the rational and the emotional. You are a man of science, clearly a man who is more rational, what is your view of this situation in the party?

[Zagaynov] I think that the situation in the country is changing, and this forces people to change some of their stances, so to speak. There are those who are maintaining very orthodox positions, but I think that gradually, their numbers are growing smaller. There are not so many of these supporters left, although their position is fairly extreme and harsh. I think that if in the course of the coming months, we will be able to find a lever which we can use to stabilize the country's economy just a little. Passions will fall sharply then and a sort of political consolidation will commence, and the fight for authority will take on slightly different, purely political tones or—to be more precise—parliamentary tones. This will be quite normal and natural in our society. Unfortunately, political passions are now being heated by the very unstable economic situation.

Central Committee Endorses Draft Program

LD2607123991 Moscow TASS in English 1232 GMT 26 Jul 91

[By TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow July 26 TASS—The current plenary meeting of the Soviet Communist Party (CPSU) Central Committee in the Kremlin today decided to hold the 29th extraordinary congress of the party in November-December this year. A draft new programme of the CPSU will be brought up for the congress' consideration.

Participants in the plenum by an overwhelming majority of votes today endorsed the CPSU's draft new programme, submitted by the drafting commission headed by General Secretary of the CPSU Central Committee Mikhail Gorbachev, as a basis acceptable for discussion. Deliberations on the issue involved 37 people. The results of the discussion were summed up by Gorbachev.

It is meant that amendments are yet to be introduced to the draft programme, which will be discussed in party organisations and will then be brought up for consideration at the congress.

The plenum will end later in the day following a decision on organisational matters.

Resolution on Draft CPSU Program

PM2707112391 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 1

["CPSU Central Committee Plenum Resolution dated 26 July 1991: On the Draft CPSU Program and the Tasks of Party Organizations in Discussing It"—PRAVDA headline]

[Text] 1. The CPSU Central Committee plenum perceives the draft CPSU Program prepared by the 28th Party Congress Commission as an acceptable basis for additional work and discussion in the party.

2. The CPSU Central Committee Secretariat is instructed to sum up the remarks and proposals

expressed during the discussion of the draft at the present plenum and to submit them to the 28th Congress Commission. The Program Commission is instructed, when revising the draft, to pay special attention to the standard of the theoretical substantiation of the draft's most important provisions, to continuity with the program statement of the 28th CPSU Congress, and to questions of the party's organizational and political building.

3. Following the publication of the draft, to conduct a party-wide discussion. Party committees are to organize broad discussion of the draft program in labor collectives, at places of residence, and in sociopolitical centers. Politburo members, secretaries, and members of the CPSU Central Committee are to play an active part in the discussion of the draft of the new program in party organizations.

4. Party mass media are to ensure in-depth and prompt coverage of the party's discussion of the draft CPSU Program. They must regularly publish materials that give a thorough picture of the situation in the party and its current policy.

The CPSU Central Committee Press Center is to systematically hold briefings, news conferences, meetings with Soviet and foreign journalists, and other measures to promote broad publicity for the draft CPSU Program.

5. The CPSU Central Committee Academy of Social Sciences, the CPSU Central Committee Institute of the Theory and the History of Socialism, the CPSU Central Committee Institute of Contemporary Social Problems, and republic sociopolitical institutes are to take part in studying and summing up incoming proposals on the draft CPSU Program, and on carrying out scientific, instructive, and propaganda work.

Second Day Proceedings Reported

PM2707110791 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 1

[Unattributed "Information Report on the CPSU Central Committee Plenum"]

[Text] The CPSU Central Committee Plenum continued its work 26 July.

The following participated in the discussion of the draft CPSU Program and the report by M.S. Gorbachev, general secretary of the CPSU Central Committee: V.A. Martynov, director of the USSR Academy of Sciences Institute of World Economics and International Relations; A.P. Klaucens, secretary of the Latvian Communist Party Central Committee and first secretary of Riga Latvian Communist Party Gorkom [city committee]; A.I. Lukyanov, chairman of the USSR Supreme Soviet; S.N. Lavrentyev, secretary of the Bashkir State University Party Committee; A.G. Sarkisyan, first secretary of the Armenian Communist Party Central Committee; O.R. Latsis, first deputy chief editor of KOMMUNIST; A.A. Prigarin, chief of the RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Central Committee Secretariat's Center for Political Analysis and Forecasting; M.N. Kachanov, member of the Lithuanian Communist Party Central Control Commission; M.M. Drobyshev, foreman at Tambov's "Elektropribor" Plant; and B.P. Guseletov, senior lecturer at the Sverdlovsk Engineering Teacher Training Institute.

M.S. Gorbachev, general secretary of the CPSU Central Committee, summed up the results of the discussion.

A.S. Dzasokhov, secretary of the CPSU Central Committee, spoke on behalf of the Editing Commission formed at the plenum.

The Central Committee plenum adopted resolutions "On the Draft CPSU Program and the Tasks of Party Organizations In Discussing It" and "On Convening an Extraordinary 29th CPSU Congress."

The Central Committee plenum nominated candidate USSR people's deputies from the CPSU to fill vacant deputies's seats, and adopted a resolution "On the Procedure for the Election of USSR People's Deputies from the CPSU."

The plenum also adopted resolutions "On the Implementation of the CPSU Budget in 1990" and "On the CPSU Budget for 1991," and a joint resolution with the CPSU Central Control Commission "On Estimates of Expenditure for Financing the CPSU Central Control Commission's Activity in 1991."

Organizational questions were examined.

V.V. Kalashnikov, head of department at the Leningrad V.I. Ulyanov (Lenin) Electrical and Technical Institute; and I.I. Melnikov, secretary of the M.V. Lomonosov Moscow State University Party Committee, were elected secretaries of the CPSU Central Committee.

The plenum elected A.N. Maltsev, first secretary of Nizhniy Novgorod Party Gorkom, member of the CPSU Central Committee Secretariat.

The Central Committee plenum released S.K. Pogosyan from his duties as member of the CPSU Central Committee Politburo in connection with his discontinuing his work as first secretary of the Armenian Communist Party Central Committee.

The Central Committee plenum removed the following from the CPSU Central Committee: I.S. Silayev, in view of the request submitted by him; E.A. Shevardnadze, in connection with his discontinuing his membership of the CPSU; and A.I. Berezin, in connection with his expulsion from the CPSU.

The plenum adopted a CPSU Central Committee statement in connection with the RSFSR Presidential Decree "On Ending the Activity of the Organizational Structures of Political Parties and Mass Social Movements in RSFSR State Organs, Institutions, and Organizations."

The plenum heard a report by Yu.A. Manayenkov, secretary of the CPSU Central Committee, on the results of the work of the commission for studying the state of affairs in Estonian party organizations, and adopted a resolution on this question.

With this, the CPSU Central Committee Plenum concluded its work.

The CPSU Central Committee Plenum documents are being published in the press.

Lukyanov Urges 'Democratic Unity' in CPSU

PM2807091591 Moscow RABOCHAYA TRIBUNA in Russian 27 Jul 91 p 2

[Speech by A.I. Lukyanov, chairman of the USSR Supreme Soviet, at the CPSU Central Committee Plenum on 26 July 1991 under the general heading "We Need a New Level of Mutual Trust and Party Comradeship;" first paragraph is RABOCHAYA TRIBUNA introduction: "The Party Must Not Lose the President, Nor Must the President Lose His Party"]

[Text] That is what A.I. Lukyanov said and the plenum greeted this statement with applause, completely rejecting feeble efforts toward a split and attempts to express mistrust in M.S. Gorbachev.

We have come to a watershed, a time when each and every one of us, each and every Communist must determine his position. This has been forced upon us by the times, the profound crisis that has embraced practically the whole of society, the decline of trust in the organs of power, and the growth of anticommunist hysteria which has become the legal policy of the state leadership in a number of places.

Completely different paths of development are being imposed on society, and universal denationalization, defederalization, and desovietization are being preached. In a word, the rejection of many, many values that had become firmly embedded in the minds and lives of our people. The watershed that we have reached must map out the way the party will move in the future—whether it will disperse along several channels or whether it will retain its basic main flow.

The draft program being discussed is, in my view, a watershed document. Yes, it is still incomplete. You cannot fail to note in it a desire to satisfy everyone, a desire to preserve party unity at any price. Yes, the draft requires further work. But the necessary base is there all the same. It allows us to make a choice, to determine our position on all fronts, and primarily to answer what is in my opinion the main question—the question of whose party we are. The party of working people, workers, peasants, the intelligentsia, or, as has been said quite recently, the party of all the people, including the rapidly growing tribe of entrepreneurs and shadow economy dealers. To answer the question of whether we are striving for renewed socialism, a system of social justice and social protection for the working people, or whether we are swinging toward a society in which there can be no room for socialism. As we move toward a mixed economy, we must answer the question of whether we will retain our positions of priority to public forms of ownership, or whether private ownership is given priority. In choosing market economy, we must state clearly whether the market is the end or just the means to achieve prosperity for people. And indeed what should the transition to the market be like—rampant and uncontrolled or regulated and managed? We must answer firmly and clearly the question of how we perceive our country in the future: As a Union state, a renewed federation of sovereign republics with equal rights, or an amorphous confederative union of states with different laws, banks, customs, and hundreds of thousands of refugees.

If we answer these questions clearly, if we resolutely unite on the basis of clear positions, excluding of course communist fundamentalism and every kind of regression, people will understand us, the masses will follow the party, and no one will believe those who try to push us in a completely different direction under the guise of liberal-democratic phraseology. I am speaking about this because recently, and in the three months since the April plenum in particular, our party's opponents are doing all they can to prove that the CPSU has exhausted itself and has become a conservative force. Unfortunately I heard such opinions even from this rostrum yesterday. Everything is being done so that Communists are excommunicated from democracy, in order to instill in people the idea that our party and democracy are two incompatible concepts. Meanwhile, if you look closely at what those who bow and scrape to democracy are doing, you will see the desire for authoritarianism, the gross suppression of differing opinions, and ideological intolerance showing through increasingly distinctly behind the haze of verbiage, you will see the democratic dictatorship [demokratura] that even ultrademocrats are forced to admit to if they are frank. This is most obvious in their policy with respect to the soviets. And it is a great shame that the problem of the party and the soviets was hardly broached at all in the report. As you may recall, comrades, the First Congress of USSR People's Deputies was held beneath the slogan "Sovereignty to the Soviets!" The radicals went to the elections with it, demanding a transition of power from the party committees to the soviets. But only one-and-a-half years have gone by and the policy has changed sharply. What has happened?

Take local soviets for example. Having squeezed the party organs out of the entire chain of power structures, the politicians of the new wave have demonstrated their astonishing inability to either govern or resolve problems that are vitally important to people. Attempts to turn the local soviets into some kind of legislative and executive organs have not been successful either. Roy Aleksandrovich Medvedev once remarked quite justly that the Moscow City Soviet spent three days discussing whether to take the bust of Lenin out of the conference

hall or not, and just three hours discussing the progress made in the preparation for winter, when winter was already setting in.

This is a fairly typical scene. Many soviets have not lived up to expectations against the background of the big promises made. But they had to somehow answer for the betrayed hopes of the people. And then a thesis emerged about the bankruptcy of the soviet representative system in general, that it should be replaced by Western models of a parliamentary or municipal system, and as you know, this process has already started. Why? And with what aim?

One of the aims was to remove the resolution of practical issues relating to the transition to the market economy, and destatization and privatization in the first instance, from the control of representative organs. To create a tough system of carrying out orders from above. And this means that under the guise of strengthening executive power, what is starting one way or another is the virtual alienation of soviets and their deputies from the resolution of urgent issues of statewide and local life. Both Aleksey Nikolayevich Ilin and Vladimir Timofeyevich Chuykov from Poltava rightly spoke about this here yesterday. At the same time hands are being untied in order to increase pressure on the CPSU and Union organs, on the Army, and the structures of state security and internal affairs.

And the departyization that was recently proclaimed by the RSFSR [Russian Soviet federated Socialist Republic] president, comrades, is just part of this campaign that is essentially aimed against the soviets, against the party, the trade unions, and other social organizations.

Incidentally, the word "Soviet" has already been removed from the name of eight republics and five former autonomous formations. In certain republics the presidents have gained the right to dissolve not just local soviets, but also supreme soviets. And look at the Congress of People's Deputies and the USSR Supreme Soviet. Today we can see the methodical way new political leaders and the opposition in general are attacking the supreme organs of the country's state power.

They want to immediately dissolve the Union parliament as an excessively conservative and ineffective organ. At the same time, they are naturally keeping silent about the fact that it was this very organ that adopted the main laws on moving toward the market, on entrepreneurship, on the social protection of citizens, and that it was the Supreme Soviet that developed democracy and, with new laws, guaranteed national equal rights, man's right to form associations, to free speech, freedom of thought, and freedom of movement, and that it was the Supreme Soviet that stated the need to end the war in Afghanistan.

However, our critics do not care about these facts. Their logic is simple. If some proposals made by the radicals do not get through, this means that there is no point in defending them according to the rules of pluralism. You have to immediately demand the dissolution of the Union parliament, and now even of certain republic parliaments. It would be interesting to hear the noise that our impressionable independent press would make if Communists behaved like that!

But let us think more deeply, comrades. What would the immediate unlawful dissolution of the congress and the USSR Supreme Soviet mean now? It would mean one thing—the loss of the only constitutional structures in which at the moment all 15 Union republics and other national-state formations are still represented—structures which embody nationwide interests, and the Union's integrity and its international duties.

Believe me, I am by no means delighted with the work of the Supreme Soviet and my own work in it. But objectivity requires me to I say that it has been and still is one of the most important instruments in the stabilization of the situation in society, a stabilization that sticks in the throats of a large number of our political opponents. So it is no accident that they have recently been stepping up their attempts to drive a wedge between the Supreme Soviet and the government, and between the Supreme Soviet and the country's president. Let me note that a very dangerous wedge is being driven between the general secretary of the Central Committee and the party as a whole. Last Tuesday, for example, none other but the new mayor of Leningrad, speaking in Rome, stated that expelling [isklyucheniye] Gorbachev from the party altogether would be an ideal option for our plenum. It is known that such opinions are being voiced not just from the left, so to speak (left and right have become muddled here), but they are also coming from the right. But let us ask ourselves the following question honestly and bluntly: What would it mean for the party to lose the president today and what would it mean for the president to lose the party? Given the current realities, I am deeply convinced that for President Gorbachev losing the party would mean being deprived of the most substantial support in society, a support based on the masses, with all the ensuing consequences. [Applause]

As for the party, losing the president would mean losing the position in state leadership, but not only that. It would mean immediately giving the opposition, including the forces that are already wielding power, an opportunity to unleash not just persecution, but a virtual pogrom on party organizations. Hence the conclusion that the party must not lose the president, nor must the president lose his party. [Applause]

In general I believe that the formulas in the draft program about questions of the state, the law and administration, and the functioning of soviets, should be far tougher and more specific. They should take into account traditions, the realities of life, and the need to improve the system of soviets, primarily as a system representing the working people. The program document should make it clear that the CPSU intends to head the struggle in support of democracy and legality and in

support of the preservation of the soviets of people's deputies, and that the party is resolutely opposed to any infringements on the organ of the people's power and that, strengthening executive power, it will consistently develop democratic Soviet principles in the organization of our state.

Undoubtedly the practical test of this policy will be the election campaign, as a result of which soviets at all levels will be formed. It is already clear today that Communists will have to defend their representatives at the elections in a very tough fight.

Comrades, you can see in the press that our opponents not only understand this very well, but they are also mounting serious preparation for the future election campaign. At the same time they are not concealing the fact that they are counting on the Communists fighting among themselves and working unprofessionally and insufficiently flexibly, which is what happened in the last elections.

That is why the CPSU Central Committee must approach these issues in a very responsible way right now. Perhaps by devoting a special plenum to them.

Work in the territorial okrugs will be the most acute problem.

But at the same time I would like to stress again and again that whichever aspect of our actions we look at, whether it be the movement to the market, the strengthening of the union of republics, the work in soviets, or the elections, we will not manage to do anything, comrades, if there is no democratic unity in the party itself, and if there is no discipline or rallying in our party ranks.

And I think that what was said here about the statutes is quite right. Soviet people will soon perceive that the party is in fact getting down to putting an end to the decline of working people's living standard and establishing the strictest social order, that under no circumstances will it allow our Union to disintegrate. And for all this to be done, we need a united, well organized, and purposeful party.

That is why I conclude the way I began—we have come to a watershed. Let us clearly and honestly define our position. We need a new degree of mutual trust and party comradeship. That is the only way we will be able to remain as a party of democracy and as a party of socialism. [Applause]

Latsis Blasts Gromov's 'Appeal'

PM2707151591 Moscow RABOCHAYA TRIBUNA in Russian 27 Jul 91 p 2

[Speech by O. Latsis at the CPSU Central Committee Plenum on 26 July 1991 under the general heading "We Need a New Level of Mutual Trust and Party Comradeship;" first paragraph is RABOCHAYA TRIBUNA introduction: "The Use of the Bogey of Social Democracy Does Not Promote Understanding of Our Tasks"]

[Text] This was said by O. Latsis, sometimes meeting with incomprehension from the audience.

I was prompted to speak because I disagree with the actual perception of the nature of the document under discussion which was expressed by certain speakers. Some comrades, it seems, make no differentiation between the party program and technical and economic programs, or, for instance, the government's anticrisis program. They call for a reflection of the details of the development of individual sectors or current problems, whose analysis would be outdated within months rather than years. Other speakers relied on extremely arbitrary criteria, using myths dear to their heart rather than real knowledge about various subjects.

Thus, for instance, Comrade Gidaspov even quoted William Pitt. Paraphrasing this really witty saying, I would like to state that such erudition can be admired or even envied, but it can only be agreed with provided it displays an equal knowledge of Marxist literature. Unfortunately, this was not the case. Judge for yourselves. Comrade Gidaspov found a reference to the idea of communism only on page three of the draft, and even then in an insufficiently enthusiastic context, in his view. But this was the historical section. Can we really be downright enthusiastic about the fate of the communist idea in our history? Just recall the promise to build heaven on earth by 1980. It compromised the idea of communism in a way no anticommunist would have dreamed of. It is even more striking that Comrade Gidaspov did not find the idea of communism anywhere else. Yet page 23 reads: "The future lies with a society in which the free development of each individual is a condition of the free development of all." Everyone who has read not just Pitt but Marx and Engels knows that these words come from the "Communist Manifesto" and express the idea of communism in the most scientific and nonvulgarized form. Why is it that, when we encounter the idea of communism in living form but without a label stating what it is, we find it hard to recognize? I do not think that Comrade Gidaspov has failed to read the "Manifesto." I have a different explanation: In our minds loud pledges of allegiance to the idea are increasingly becoming more important than a real understanding of the idea itself and its real development.

Comrade Prokofyev backed up certain arguments by contrasting development in China and Yugoslavia. I took this reference to mean that Yugoslavia's current troubles stem from its excessive democratism and pluralism. If this is the idea, then it is profoundly mistaken. Everyone who has seriously studied Yugoslavia's development will confirm that it had a one-party system which was no less severe in all respects than the Chinese system. And if the tanks are no longer able to prevent a collapse in Yugoslavia, it is not because of an excess of democracy in the past but because of a shortage of it, and because of the entirely understandable features of that country—above all, its multinational nature.

But the main question is why are all these mythological motives being used? It has been proposed that either we publish the draft solely in the name of the Program Commission—with the Central Committee discussing it for some seemingly unknown reason—or that it be published but treated negatively and not adopted as a basis for the future. I am convinced that the contents of the document must be published—not only for various political reasons but also for the purpose of an objective assessment—that it should receive a positive assessment from the Central Committee, and that it be deemed expedient to adopt the draft as a basis for further work. A program in this direction will allow us to be a party of social progress—as Communists are supposed to be—even in the new conditions, which have changed radically since the time when all our previous programs were adopted.

Further work is needed, of course. For instance, the arguments in favor of transition from Lenin's to Martov's organizational basis of the party are unclear. One would like them to be more convincing.

I also agree that at least one paragraph should be devoted to the reasons behind the collapse of the world socialist system, at least to the extent to which this affects our party. I would say here that in East Europe it was not socialism but a distortion of socialism that proved bankrupt. Clearly, it was not genuine socialism. A living organism does not collapse when the hoops holding it up from outside are removed—a living organism has its own backbone. The living basis of socialism had come to the fore and could have grown in these countries, but we ourselves suppressed it with our dogmatism, and finally killed it 21 August 1968. It is hard to imagine anything more preposterous or reactionary for Communists than an attempt to strengthen socialism by using tanks sent in from abroad. That was where the socialist idea was missing.

On the other hand, I think that, despite all our losses, socialism's strategic prospects in these countries have not deteriorated but have actually improved as a result of social development's move from a coercive to a natural basis. One has to have a very primitive understanding of the socialist idea and not believe in its internal strength to think that it has been weakened by the disappearance of regimes such as the Ceausescu, Zhivkov, or Honecker regimes, or to think that they represented the bright future toward which mankind was heading.

Finally, I think that when the draft is being finalized we need to attentively look once again at the previous versions in order to see that nothing valuable has been lost. I agree with Comrade Burokevicius that the authors have gone too far in reducing the text. Of course, a shorter text is easier to understand, but only up to a point. We should not sacrifice arguments and basic explanations, leaving behind just bare conclusions understood only by the initiated. The fact that the text takes up 23 pages is an enormous success for the authors. I would not have believed it possible. But had it been even 30 pages long it would still be the shortest text of any program in our entire post-October history, with only the First Program being shorter.

It seems to me that the use of the bogey of social democracy does not promote understanding of our tasks either. I would like to ask: Were Marx and Engels Communists or social democrats? And what was Lenin, when he created our party? And what about us? Has God presented us for evermore with a world workers' movement split into irreconcilable streams? Or should we cherish and nurture this split, and view it as a great achievement rather than a historic tragedy?

It is for historians to decide to what extent this split was caused by the treachery of the Second International's leaders in 1914, to what extent it was caused by the stand some socialists took against the October Revolution, and to what extent it was caused by Stalin's attacking social democrats rather than joining the overall fight against fascism. But today we have no reason to reject any social idea just because it is shared by social democrats. Allow me to present arguments on the essential point—what is bad about this idea.

I think everyone realizes that we are currently discussing not just the draft program—different attitudes to perestroyka can be discerned in every speech. It seems strange: Virtually all speakers have been talking about the same troubles of ours, but their conclusions have been diametrically opposed. In fact there is nothing surprising in this. The entire question, which is at the root of the crisis, is whether perestroyka has been a success or whether it has not yet accomplished very much. In this regard I would like to say a few words about the recent "Appeal to the People" in SOVETSKAYA ROSSIYA which, unfortunately, nobody apart from Comrade Grachev has seen fit to mention. It merits our attention, of course, not because its outburst against perestroyka is more hysterical than other similar texts. And not because several writers, party officials, and economic officials think the same—that is not news. In the entire text only two words merit attention—or rather two signatures: Varenikov [sic] and Gromov. Soviet citizens Varenikov and Gromov or Communists Varenikov and Gromov are entitled to think this way and sign such appeals. But generals holding key positions in the Armed Forces and the Ministry of Internal Affairs should realize that they must resign before signing such appeals. They should realize that they are serving a great power, not a "banana republic" famed for its military coups. The participation of high-ranking military officers in such declarations in no way helps to refute the democratic press' accusations about attempts to turn the Army and law-enforcement organs into a force that can dictate its will to the state and society. How can they be made compatible with the calls to cherish the Army's prestige?

I cannot understand the reaction by some people present here to Grachev's statement on this subject yesterday.

Any civilized society has legitimate fears about any politicization of the military. Many progressive politicians have paid dearly for underestimating this danger—from Spain of the 1930s to Salvador Allende. Our command clearly does not welcome the liberal democratic politicization of the military—the activities of the "Shchit" [shield] organization, for instance. What about the right-wing radical politicization of certain generals—will they welcome that?

In conclusion, I want to state my attitude to the problems of the party and the multiparty system, which are linked with several past political documents that have been repeatedly mentioned here. So as not to repeat myself, I will be brief: It is in our own interests to overcome as quickly as possible our terror-stricken knee-jerk reaction to everything that is unfamiliar. Shouts instead of convictions in an open debate are a sign of political helplessness rather than strength.

(The speech was accompanied by occasional outbursts of disagreement).

Surkov Assails Baltic Laws, Yeltsin Decree

PM2807142191 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 5

[Account of speech delivered by M.S. Surkov, secretary of All-Army CPSU Party Committee, at the CPSU Central Committee Plenum on 25 July]

[Text] The Communists of the Armed Forces believe: The proposed draft CPSU Program should be accepted on the whole as a basis for further work, the speaker noted. It says that our party is the party of democratic reforms, political and economic freedom, social justice, and pan-human values. And it is thereby capable of uniting supporters of the socialist choice. At any rate, what is now reflected in the draft shows that humane, democratic socialism is not an abstract scheme and not the world's greatest utopia, as B.N. Yeltsin said in his lecture to students at New York University. At the same time the document requires substantial additional work, and in this connection I would like to voice a few of my criticisms.

In the speaker's opinion, revolution cannot be unfailingly linked with civil war, as some historians do. This is not fatally inevitable. In our country it was caused by foreign military intervention. And the draft should say this. It would be correct to reflect in the document the true meaning of the life of several generations of Communists. After all, their deeds and actions are now the focus of sharp debate and are often presented in such a way as to discredit the CPSU. The program must make truthful assessments not only of the tragic errors in the party's activity, but also of its role in defending our motherland's vital interests. It cannot be forgotten that over 3 million Communists died during the Great Patriotic War. Then they had only one privilege—to march in front and rouse people to attack. The draft's theses regarding the historical role of Vladimir Ilich Lenin arouse feelings of dissatisfaction.

In view of the moral situation in troop collectives and the proposals being received from military districts, groups of forces, fleets, and party committees, in my view it is advisable to thoroughly rework the section discussing the country's security and defense. After all, there is still a sense of a failure to make progress in implementing the military program and the absence of laws on defense and on the conversion of defense enterprises, on military service, on the status of servicemen, and many others is having an impact.

Implementation of the state program for the social and legal protection of servicemen, members of their families, and persons discharged into the reserves and retirees is progressing only slowly. How long can we tolerate a situation where one in five servicemen's families is forced to live apart. Some 84,000 people do not have residence permits. That is, they are deprived of what is most essential.

The housing problem remains exceptionally acute. As a rule, this happens where new local authorities headed by the so-called democrats place all the blame for their own blunders on the CPSU.

Today around 200,000 servicemen do not have normal housing. And how are the 220,000 servicemen's wives who have not been placed in jobs to be regarded? Are they unemployed or in work?

These and other unsolved questions, M.S. Surkov stressed, are creating serious social tension. Workers and servicemen in the Baltic republics are in extremely grave and unequal conditions. He cited several examples. Workers and employees of military enterprises in Estonia receive a wage 2-2.5 times lower than similar workers at a civilian enterprise next door. The wage of a lieutenant, senior lieutenant, captain, or major is enough to live on for 15-20 days at best. The numerous letters received by the USSR defense minister, the chief of the Main Military-Political Directorate, and the All-Army Party Committee cite facts showing how, for instance, lawlessness regarding servicemen's families and Armed Forces veterans is fostered in Latvia. Latvia's laws on land reform and the denationalization of house ownership place people in a humiliating and insulting situation. The situation in Lithuania is similar. If he adopts citizenship here a serviceman does not have the right to a pension.

The situation with regard to servicemen's children is no better. They have practically nowhere to attend school. In one republic people demand that they know one language, in another they demand another, in a third a third, and in a fourth a fourth. They cannot attend kindergartens either. This deprivation of rights must be ended.

Another thing. While supporting the signing of the Union Treaty, the All-Army Party Committee and Army

and Navy Communists are seriously concerned at the imperfection and disregard of union legislation on questions of the country's defense. Just recently a number of republics have adopted around 30 illegal acts jeopardizing not only the Armed Forces' combat capability but also our country's mobilization readiness. This year we have run up against a disgraceful situation where the Army cannot draft conscripts into its ranks. Essentially Georgia, Lithuania, Armenia, Estonia, Latvia, and Moldova have wrecked the army draft for the umpteenth time.

The RSFSR president's decree on departyization has made a new contribution to the "war of laws." To call things by their proper names, it is a question of an attempt to prohibit the CPSU's activity. It looks as though the signatory of this decree is little concerned by the document's legal untenability and the fact that it runs counter to international pacts and generally accepted legal norms concerning human rights.

Today there is an army of 1 million Communists in the Armed Forces. That is an overwhelming majority of the cadres and the best, most professional section of them. They voice a resolute protest at the latest encroachment on their elementary human rights. The democratic press will probably present my speech as a threat by the military or a new dictatorship. But the dictators are not here. The dictators are those who are in power today.

Speaking about strengthening the unity of party ranks, the speaker noted that the criterion of the party's renewal must be its profound democratization. Debates and a respectful viewpoint toward each person's opinion are certainly needed. At the same time appropriate corrections must be made to the document in view of the features of the political struggle, and positions regarding various movements must be clearly defined. The All-Army Party Committee Bureau loudly expressed our attitude toward the Democratic Reform Movement in the press. It has to be noted that this assessment received the fullest support from Army and Navy Communists. Many party members are expressing concern that behind the screen of this movement are certain masters of political intrigue who find it difficult to conceal their antipathy to the CPSU but who still remain in the party.

The secretary of the All-Army CPSU Party Committee repeated once again that, in his view, the draft program should nevertheless be adopted as a basis [for further work]. Yes, it has shortcomings. But it is time to refer it for general discussion so it can be widely discussed and all the critical comments can be submitted to the Program Commission.

In the speaker's opinion, the party needs a congress. Communists must clearly understand who is who. And this congress or conference should be convened at the end of this year, and you cannot convene a congress with 5,500-6,000 delegates. It may be half the size, but it must be attended by Communists, not people who merely carry party cards.

One final point. The All-Army Party Committee is worried by the situation in the country. The viewpoint of the military Communists is the same—we must rally our ranks and fight skillfully for influence over people and for real political power in society. We Communists must unite on the most important thing. And the most important thing is to create a tranquil, normal life for Soviet people.

Gidaspov: 'Ideological Certitude' Needed

PM2807102391 Moscow PRAVDA in Russian 27 Jul 91 Second Edition pp 3, 4

["Account" of speech delivered by B.V. Gidaspov, first secretary of Leningrad Oblast Party Committee, at the CPSU Central Committee Plenum on 25 July]

[Text] The events of the past three or four months and the deepening political and organizational vagueness in the party have generated another wave of protests in its lower ranks. They are calling for action by CPSU elective organs and the center, and for a profound theoretical analysis of the processes in society. They are calling for the party program that was promised at the 28th Congress. In the conditions of socioeconomic and political confusion we are obliged to elaborate our own strategy and tactics, inherent to the CPSU alone, which will distinguish us from other democratic movements. And if the submitted draft is examined from this standpoint, it should be bluntly stated that it can only be adopted as a basis for the future after further work is done on it. We have no objection in principle to virtually all the declared slogans and postulates. But what has this to do with the CPSU Program? It is appropriate in this regard to recall the words of William Pitt, the 18th-century British diplomat, who said of one of the documents of the time that there was much in it he could admire but nothing in it with which he could agree.

Compared with the 28th CPSU Congress' Program Statement "Toward Humane, Democratic Socialism", the current draft takes yet another step—and a very big one—toward the ideological and organizational weakening of the communist movement in the country. We could spend a long time criticizing many of the draft's controversial and vague provisions. For instance, provisions such as the party's attitude to religion, the form of Communists' participation in party organizations' activities, and certain other dubious premises. But cosmetic improvements are not the essence of my point. In order for the submitted draft to become a program, the slogans it contains must be seen in the light of the objective interests of the classes and social groups on which the party plans to rely, as Mikhail Sergeyevich said in his report. We need ideological certitude in the best sense of the word, rather than an ideologized manifesto. We need a scientific and specific approach.

The program should provide answers to the questions of the day and serve as a basis for consolidating all the forces of socialist choice. So far it does not meet these

goals. The party, which is in the grip of an ideological and political crisis, and its millions of members yearning for a revival of their organization are entitled to expect considerably more from the main party document.

First, we can see no philosophical interpretation of our time in it or any specific historical and political analysis of development trends both in society as a whole and in the party itself. Not even an attempt has been made to show what is actually represented today by Marxist theory applied to life's realities. In general, it is not entirely clear which theory we are relying on. If Marxism-Leninism, then what are we rejecting from it as unconfirmed by practice, and what are we espousing? And how are we developing this theory? These questions are totally bypassed by the draft.

One is also confused by the fact that the communist idea (we do not use the word "future") is mentioned only once, not from the standpoint of a scientific analysis of the phenomenon, but rather in the form of an "epitaph."

Second, if the party stakes a claim to preserving its identity, then we must clearly define formulas relating to the main elements of our statehood and social system [zhiznestroitelsvto]. Their infinitely broad interpretation should be made exceedingly specific on the following points.

Above all, the question of ownership. A plurality of forms of ownership is a reality of life, but we need to state our position as regards priorities. Communists' principled position is to recognize the dominant role of the state and collective sectors and the socially oriented, regulated market, which requires state planning of social programs.

As to the question of people's power, a course of destroying the soviets as organs of the people's political power has clearly emerged over the past two years. They are mentioned in passing on one occasion, and then people go on to talk about representation for workers and other sectors of the population in certain organs of power at all levels.

It is already obvious that the 19th party conference's ideas to the effect that the main thrust of the democratization of our society and state means the complete restoration of the soviets' role and powers as fully-fledged organs of popular representation have been totally rejected.

Today the party should act as a united faction in all power structures, clearly upholding its principled views and provisions. For the time being, everything is being done to remove the CPSU from the political arena.

On the question of responsibility for the current crisis in society and the party, the compilers of the draft try once again, as they did in the past, to hide behind the difficult legacy of the past, the crimes of Stalinism, conservatism in the well-known sense of the word, the power of inertia, and resistance to change from some anonymous apparatus. But this is an oft-used formula. And they only allude slightly and impersonally to their own hesitation, compromise, and delayed radical solutions. If we are claiming to reflect working people's political interests, then we cannot sidestep the question of the mechanism for providing reliable social guarantees and rights for them. But the draft contains general wishes and appeals.

Finally, the activity of the party itself. Here there is an obvious desire to revise its key tenets which were laid down by Lenin. What, for instance, is the meaning of the phrase: "The party shall voluntarily provide material support as far as possible?" The consequences of such a practice are easily foreseen: The party will turn into an amorphous movement, a special-interest club. All this smacks too much of Yuliy Martov's formula of providing regular personal assistance.

We are hardly going to resume an 88-year-old argument. It was settled long ago. How are deputies elected from the party supposed to understand the priority of voters' interests over party discipline? In short, these kinds of passages do not benefit the program.

We could also mention the weaknesses in the document. But, I fear, the discussion would not be constructive. The situation in the party requires the adoption of a number of fundamental decisions. First, a large-scale Communist Party program should be elaborated. There is no time to waste in this area. Second, at this stage it is necessary to immediately work out a minimum program which will define the CPSU's tactics and strategy for the next few years.

The speaker proposed that we should not restrict ourselves to discussing just one draft, but that it should be viewed in the context of the existence of others which the Program Commission will produce.

A few days ago an enlarged sitting of the Leningrad CPSU Oblast Committee Bureau, generalizing proposals from primary party organizations, city party committees, and rayon party committees, called for the convening of an extraordinary CPSU congress in October or November this year with the agenda: "On the Situation in the Country and the CPSU Central Committee's Report," "On the CPSU Program and Statutes," and "Organizational Questions." Among the latter it would be expedient to examine changes to the composition of the Central Committee, the Politburo, and the Central Committee Secretariat. And, perhaps, replenishing the Secretariat, preferably with young politicians, in order to ensure that there are people really capable of taking over. The distribution of functions between the CPSU Central Committee, Politburo, and Secretariat would be examined.

And the discussion could go beyond the agenda. Given the state of public opinion, the question would arise at the congress of the expediency of combining the posts of general secretary and USSR president. We need to be ready for this.

In the run-up to the forthcoming congress Leningrad Communists intend to hold a conference and elaborate a clear-cut position on the points raised. We insist that a decision on the date for holding the congress this year be adopted at this CPSU Central Committee plenum.

Prokofyev Urges Gradual Reform

PM2907091591 Moscow PRAVDA in Russian 27 Jul 91 Second Edition p 3

["Account" of speech delivered by Yu.A. Prokofyev, first secretary of Moscow City Party Committee, at the CPSU Central Committee Plenum on 25 July]

[Text] The Moscow City Party Committee Secretariat has carefully considered the proposed draft CPSU program and thinks that it is absolutely essential to publish the document in our party press. How to assess this draft is another matter. There is a certain complication for me here, because I was a member of the Commission for the Preparation of the Draft Program. But I think that today it is not a matter of appearing in a good light. It is a question of our party's fate. The only thing required of us is honesty to ourselves and to all Communists. The proposed draft program was neither a document giving a new vision of the party's theoretical basis nor a program for its actions. It declares, and declares for the 1990s—I stress, for the nineties—fine intentions. I will recall some of them. The structural perestroyka of the economy on the basis of high technology, state aid to the countryside, and the protection of socially vulnerable sections of the population. And a guarantee of free treatment and education for all citizens, and even an increase in the proportion of national income channeled into basic scientific research, education, and culture. But to what extent are they realistic? It is bad enough that all these intentions have not been extrapolated in relation to the country's crisis situation, no priorities have been set out in the draft program, and the phasing for completing extremely capital-intensive tasks has not been determined.

In addition, the party which is announcing such purposeful intentions is in effect not a ruling party. It should have been all the more necessary to indicate the mechanism for their implementation. Unfortunately, the document makes no mention of such a mechanism.

I would not wish to dwell any longer on specific comments on the text. They will be handed to the working group. It is more important to note something else. Dichotomy, alienation, and the inhabiting of a world remote from reality characterize not only this program but also the whole situation that has developed in our party life.

The reasons are already obvious now. The perestroyka project, implemented starting mid-1987, is a "revolution from above" carried out by a narrow circle, the highest party nomenklatura, which was partly initiated into the project, and a liberal scientific elite that knows the essence of the scheme. A number of them have already left the party, saddling those who have remained with responsibility for the consequences of political decisions. This essence is now quite obvious to everyone. This alliance also brought with it a new ideology—the ideology of the sixties liberals which is correct in everything, I stress, in everything that concerned criticism of our society's illness in the past. But a woolly, wishy-washy, in many respects unconstructive ideology regarding the aims of social development and the ways of getting out of the deadlock. Consequently there is a profound system crisis that has seized our society and country.

And here is what concerns me most of all. The deeper the crisis becomes, the greater the extent that the worst qualities of the past are displayed—voluntarism, new ideological tunnel vision, one-track thinking, and the curbing of democratic processes in the party. As a Politburo member I am not absolving myself of responsibility for the situation that has developed. Assembling irregularly, without considering many vitally important questions, the Politburo was in many respects a formal organ. Instead of uniting, we all started acting on our own responsibility in our own party organizations, thereby aggravating the disintegration of the CPSU as a united whole. What do I see as the way out of the situation that has developed? Letting democratic processes be implemented not in words but in deeds.

The main component of this process is well known to us. It is criticism from the party's grass roots and the ability to accept this criticism above without pride, the ability to learn to blame oneself, and the ability to acknowledge mistakes, to take them profoundly to heart and make amends, rebuilding oneself in the process. And not to look on anyone who does not agree with you as an enemy of perestroyka.

Incidentally, it is time to clarify this term. In fact, the struggle is not between the opponents of change and its supporters, but between those who have different visions of the nature of our society's reformation, the social basis of reforms, and their aims and methods of implementing them. In accordance with this we have a complex arrangement of political forces, so complex that society has become confused and has difficulty understanding who is who. It would seem that the task of the CPSU program is to clarify the question regarding the arrangement of political forces. But this key question in the program is not being considered at all. Its authors seem not to notice that in today's heat of passion all the basic principles and concepts existing in world practice are being adulterated. Democracy and conservatism are being contrasted. Here the well-known slogan "He who is not with us is a conservative" is being professed. But this is not the main point, rather it is that such contrasting does not withstand criticism theoretically. It is populism of the first water, not to mention political ignorance. The antipode of conservatism is not democracy but radicalism. And the antipode of democracy is not conservatism but authoritarianism.

The CPSU is campaigning for the path of gradual reforms. This is the only respect in which it is conservative, and there is nothing bad about that because it is a norm of present-day political life for all civilized countries, which stems from the situation in the late 20th century, when drastic radical breaks are intolerable, when the intolerability of a break with society's cultural and spiritual traditions and values has become a political axiom. At the same time, the bulk of the CPSU's party organizations, including Moscow's, are advocating multipartyism, general representation of the people in soviets, and uncompensated privatization in the interests of the people and not of a narrow group of entrepreneurs and not in the interests of the new nomenklatura. That means that in the three key questions of society's political organization, representation of the people, and ownership they are making demands of the most democratic nature according to all world standards. We will see what demands our opponents will make regarding the same questions. They support a radical break and severing traditions. In this respect they are radicals. And in the West, by the way, among other things they have long been called extremists. Radicalism and extremism—the concepts are virtually synonymous there.

As regards the three remaining questions, as we were able to see for ourselves from the president of Russia's latest decisions and programs, including his decree on departyization, and also from the actions of the mayors of Moscow and Leningrad, we are talking about infringing the rights of political parties and organizations and the rights of the workers, about curtailing representation of the people and the institution of democracy, and, finally, about elite privatization.

What is the conclusion? It is that we are dealing with authoritarian radicalism on the one hand (they are our political opponents), and democratic conservatism on the other. This is a sound description of the actual arrangement of political forces in our society. Without demagoguery or populism.

We exist in a situation of acute political struggle. In this situation the question of the party organization's connection with party literature is becoming one of the most important questions. Let us see how our party literature is behaving.

In front of me are two newspapers which have commented on the decree on departyization. Let us compare just the headlines. Here are the headlines from NEZAVISIMAYA GAZETA. On the first page in boldface: "CPSU Central Committee Plenum. Conservatives Prepare for Attack. New CPSU Draft Program. Can Gorbachev Stay in CPSU Much Longer? Yeltsin Brings Gorbachev Present on Eve of CPSU Central Committee Plenum. New Communists Choose Democracy. Movement for Democratic Reform Gets Stronger. Aliyev's Statement on Leaving Communist Party."

Now we open PRAVDA of the same date, also the first page, and read: "Penelope Sets Sail." "Where the 'Blue Birds' Have Gone." "They Are Not in the Field." "Height of Summer on Top of World." And at the side: "Who Are the 'Departyizers' Fighting?" What is that? Is that the way to conduct political struggle? Or is it something else? I think it is bankruptcy, the deliberate diversion of Communists from pressing problems, and the complete inability to analyze and predict the situation. And the direct path to the disintegration of the party organization via the disintegration of party literature.

Now about the party itself and how it has been represented in the draft. Membership has been eroded, the division of the party along national lines is well known. The results have been preprogrammed: The party will disappear as a key political structure. This will deprive society of the paths of reform which can resolve urgent tasks in the shortest possible time and with the least pain. That aside, the following question remains: Why did Yugoslavia, with its relationship to the party and with its types of reforms, fail, while China is carrying out reform successfully? There is food for thought here. The nature of the future CPSU and the nature of reforms in our society, their pace, and their quality are interdependent.

In conclusion I want to say that, at the same time as this draft program is published, it is necessary to begin a general party debate on the program questions so as to have the opportunity to compare all versions of the program that were proposed by all party theoreticians and all party members interested in the CPSU's fate, and not only those proposed by the highest scientific party nomenklatura. In short, the democratization of our party must be carried out not in words but in deeds.

We support the proposal contained in the report on holding the 29th congress in November-December 1991. This coincides with the opinion of the Moscow CPSU City Committee. We can fix the date of 18 November, for example, and adopt it at our plenum.

As regards the criticism leveled in the Politburo yesterday at our plenum, its materials have been published in full. And everyone can draw his own conclusions.

I will stress again that the people who now want a return to the old times are a negligible minority in our party. We can discuss the question of their CPSU membership and, I think, we must do so. But the majority are demanding the truth; they are demanding constructive real aims, sound programs, and a considered movement forward in the interests of the people. And there is nothing notoriously reactionary about that, there is only the sincere desire to help the country get out of the deadlock.

Plenum Concludes 26 Jul

LD2607154491 Moscow TASS in English 1522 GMT 26 Jul 91

[By TASS correspondent Lyudmila Aleksandrova]

[Text] Moscow July 26 TASS—The plenary meeting of the Soviet Communist Party Central Committee, held in the Kremlin for two days, ended today. Participants in the plenary meeting voted almost unanimously for adopting the draft party programme as "an acceptable basis for discussion." The draft programme was put forward by the Editing Commission, headed by General Secretary Mikhail Gorbachev.

Thirty seven people took part in the discussion of the draft programme. After finishing, it will be submitted for all-party discussion, and then to the extraordinary party congress, due to be held in November-December, this year.

The plenary meeting adopted a special statement, which expressed a negative attitude to the recently issued decree of Russian President Boris Yeltsin on the departyisation of state institutions in the largest union republic. Participants in the plenary meeting requested the Soviet Constitutional Compliance Committee and the Soviet president to make a decision—whether or not the decree is in line with the constitution.

The plenary meeting elected Vladimir Kalashnikov from Leningrad and Ivan Melnikov from Moscow University to the posts of secretaries of the Party Central Committee.

"This plenary meeting differs favourably from previous ones by the constructive character of discussions," Vladislav Shved, second secretary of the Central Committee of the Lithuanian Communist Party, told TASS. "Despite the fact that reports sometimes contained diametrically opposite views, the main idea expressed in them all was that the programme should make the party more attractive both for communists and non-party members."

Vladislav Shved described the plenary meeting as a "serious step towards the consolidation of the party." "According to some forecasts, the party was expected to be split at the plenary meeting. But communists representing various trends realised the danger of anti-communism and made a step towards consolidation... the sobering-up against the background of serious problems took place," he said.

"Nothing unexpected and unpredictable took place at the plenary meeting," the well-known economist and adviser to the Soviet President Leonid Abalkin told TASS. According to Abalkin, a period of radical transformations leads to the delimitation between those who are ready for them both morally and scientifically, and those who are changing their ways with difficulty. Abalkin believed that the plenary meeting was more peaceful than the previous one. "There was no wholesale, irresponsible and gross criticism, directed against the party leadership and the general secretary. I think, this is the result of the understanding of the real threat facing the country," he said.

Gorbachev Adviser Yakovlev Submits Resignation

LD2707174591 Moscow Russian Television Network in Russian 1700 GMT 27 Jul 91

[From the "Vesti" newscast]

[Text] Today's sensation: One of Gorbachev's closest advisers, Aleksandr Yakovlev, has stated in an interview with our correspondent that he is leaving the Gorbachev team.

[Begin Yakovlev recording] Well, speaking of myself, I have submitted to the president an application to relieve me of my job. [end recording]

TASS Reviews 27 Jul Soviet Central Press

LD2707072991 Moscow TASS in English 0614 GMT 27 Jul 91

["Soviet Press Review"—TASS headline]

[Text] Moscow July 27 TASS—Newspapers highlight a Soviet Communist Party Plenum which ended in Moscow on Friday.

Participants endorsed a draft party programme tabled by General Secretary Mikhail Gorbachev. After improvement, the draft will be submitted for a party-wide discussion and will then be debated by a special party congress scheduled for November-December.

The plenum passes a special statement denouncing a recent decree by Russian President Boris Yeltsin, banning political activity at workplace.

Participants asked the Soviet constitutional oversight committee and President Mikhail Gorbachev to consider the decree's compliance with the constitution.

PRAVDA and SOVETSKAYA ROSSIYA publishes documents passed by the plenum and Gorbachev's closing remarks at the forum.

"The party should realise itself evermore actively as a party of political action," Gorbachev said. "The key issue is the party's closeness to workers, peasants, intellectuals and work collectives," he said.

PRAVDA and SOVETSKAYA ROSSIYA publish participants' speeches at the plenum. "RABOCHAYA TRIBUNA carries interview with communists about their attitudes to the plenum, Gorbachev's report and his new programme.

Newspapers carry comments on Yeltsin's decree on "depart isation".

The decree is unfounded from the juridical viewpoint, lawyer m. Marchenko writes in PRAVDA.

Boris Nikolayevich dealt the Soviet Communist Party a blow, even despite the fact that the party nursed and fed

him for many years. It is now up to the referee to count the blow in or disqualify it, KRASNAYA ZVEZDA writes.

The party plenum "was very peaceful indeed", KOMSOMOLSKAYA PRAVDA writes, commenting on its results.

Several newspapers carry stories marking Soviet Navy Day celebrated on Sunday.

KRASNAYA ZVEZDA carries a ruling by Soviet Defence Minister Dmitry Yazov. The Navy plays "an important role in preserving military-strategic parity and serves as a reliable guarantor of freedom and independence for our motherland and an influential factor in averting war, ensuring international stability, security and peace," the document says.

SELSKAYA ZHIZN comments on farmers' problems and this year's harvest.

KRASNAYA ZVEZDA comments on the work on a 10-volume history of the great Patriotic War being prepared for publication by Soviet historians.

The 9th All-Russia Congress of Hunters and Anglers begins in Moscow today, SELSKAYA ZHIZN reports.

Newspapers publish stories marking the 150th death anniversary of the great Russian poet Mikhail Lermontov.

U.S. President George Bush will visit the Soviet Union for an official visit from July 29 to August 1, newspapers report.

The Strategic Arms Limitation Treaty will be signed on July 31. Bush and Gorbachev will discuss a wide range of imternational and bilateral issues.

Pravda publishes extracts of Bush's interview with Soviet journalists on the eve of his trip to the Soviet Union.

PRAVDA carries an interview with READER'S DIGEST Editor-in-Chief Kenneth Tomplinson, who visited Moscow for the launching of the Russian edition of the magazine.

PRAVDA carries comments by analyst Vsevolod Ovchinnikov about ASEAN's decision to invite the Soviet Union and China to its annual sessions.

TRUD writes about actress Brigitte Bardot's campaigning against cruelty to animals.

TASS Reviews 29 Jul PRAVDA

LD2907055291 Moscow TASS in English 0517 GMT 29 Jul 91

["PRAVDA Review"—TASS headline]

[Text] Moscow July 29 TASS—This week's Soviet-U.S. summit is the principal topic in today's PRAVDA.

Carrying a brief biography of U.S. President George Bush, the newspaper points out that "Soviet people welcome the U.S. President's visit and expect the new Soviet-U.S. summit in Moscow to make an important contribution to the furtherance of relations of friendship and partnership between the Union of Soviet Socialist Republics and the United States of America and became a landmark in the strengthening of universal peace".

A Strategic Arms Reduction Treaty (START), which is to be signed during the upcoming Soviet-U.S. summit, inspires confidence that the USSR and the U.S. are capable of taking subsequent steps on the way to a secure, non-violent world, PRAVDA's political news analyst Gennadiy Vasilyev points out in the newspaper today.

Comparing the parameters of the START treaty with those of the treaty on the elimination of intermediate and shorter-range missiles, he points out the progress made by the USSR and the U.S. in real cuts in their nuclear arsenals.

The newspaper continues the publication of the materials of the plenary meeting of the Soviet Communist Party (CPSU) Central Committee, which ended last week, and in particular speeches made during deliberations on the report made by General Secretary of the CPSU Central Committee Mikhail Gorbachev, on a draft programme of the party.

Economic

State Bank Foreign Currency Sales Reported

PM2607133591 Moscow IZVESTIYA in Russian 24 Jul 91 Union Edition p 8

[Report by I. Zhagel: "Foreign Currency Exchange Surprises"]

[Text] The latest auction at the USSR State Bank's foreign currency exchange, which was held 23 July, produced another surprise—a pleasant one on this occasion. After the giddy rise of the exchange rate to 60 rubles [R] per U.S. dollar at the last auction, the rate fell by 10 points at once.

This was to be expected, because at the exchange rate of R60 per dollar there are essentially no foreign trade operations capable of recouping such high expenditure for the acquisition of foreign currency. And as the experience of recent months has shown, various commerical organizations buy foreign currency on the exchange specifically in order to import goods in short supply.

It is interesting to note that at the beginning of the auction when the R60 exchange rate was announced some $6 million were offered for sale. However, only $2,440,000 were sold, and that only after the rate fell to R50. Naturally, such fluctuations are due both to the narrowness of the free foreign currency market and

consequently also the opportunity for speculation, and also the fact that the exchange mechanism is not yet running smoothly.

It was no accident that a session of the exchange council was held last week at which some important decisions were adopted. They include a decision to limit the size of foreign currency sales to banks which themselves do not offer anything for sale. Other changes in the rules governing the work of the foreign currency exchange are also in preparation and we will report them when they have been approved by the exchange council.

Government Raises Cost Quota of Duty-Free Goods

LD2607121191 Moscow TASS in English 1116 GMT 26 Jul 91

[Text] Moscow July 26 TASS—On a proposal from the USSR Customs Committee, the Soviet Cabinet of ministers has raised the cost quota of gifts (at the USSR's current retail prices) that may be carried across the customs border of the USSR by citizens duty-free.

The import quota is up to 2,000 roubles and an export one is up to 300 roubles.

In 1991, according to the cabinet's decision, citizens may not take out of the country individual types of "socially valued consumer goods" (food, medicines, light-industry products, building materials, household electrical appliances), spare parts for motor vehicles, jewellery and other household appliances made from precious metals and precious stones.

The Customs Commitee together with the ministry of trade has been commissioned to determine a specific list of such goods on the strength of preliminary consultations with republics concerned.

The above-mentioned measures do not apply to consumer goods purchased in the USSR for foreign currency in accordance with Soviet legislation.

The cabinet has ruled that goods that have been tuned into state property by a decision of customs agencies, including those carried across the border out of the country in breach of bans and restrictions, may be (?sold) at both customs auctions and through the existing commodity and raw material (?exchanges) at market prices.

Proceeds from the sale of such goods through commodity exchanges shall be assigned to the central budget for use according to an established procedure for the development of the customs service.

The USSR Customs Committee has also been allowed to hand over medicines, baby foods and other prime necessities, confiscated by customs agencies, to social welfare institutions.

Supply Problems Threaten Water Heater Plant

PM2607114391 Moscow Central Television Second Program Network in Russian 1400 GMT 23 Jul 91

[From the "Far East Review": Amur TV report from Blagoveshchensk by D. Stepanova and cameraman P. Voskoboynikov, identified by caption]

[Text] [Presenter] What is life like today for a very ordinary small enterprise? Here is a report from Blagoveshchensk.

[Stepanova] The enterprise that I would like to talk about is very small. Although its name is made up of big words—the Blagoveshchensk Plant for the Repair of Measuring Equipment and Technical Equipment ["ZRIT"]. The people working here fulfill an important state order: They produce water heaters. These supply buildings with heat. No construction site or major pre-winter overhaul work can do without them. Incidentally, the plant is the only one in the Far East and supplies not only our region but the whole country with water heaters. It's a big country. Yet the team providing this service is very small—just six people.

What is their attitude and that of the whole plant toward the toothed market economy?

[D.K. Piyevets, "ZRIT" deputy director] Hitherto the plant has worked smoothly and has always fulfilled deliveries and contracts to supply water heaters. Now, since April, the factory has been in turmoil owing to a lack of semimanufactures and a shortage of thin-walled pipes and oil pipes.

We have made several appeals to Ruskomplekt [expansion unknown] in Moscow, to the leadership of Ruskomplekt, which allocates us stock for the manufacture of water heaters, but hitherto no decision has been taken. The local leadership, the Amur Oblast Soviet Executive Committee Supply and Marketing Administration, in particular administration deputy head Lutsenko, is trying to find reserves and to supply equipment any way it can to installations nearing completion in our city and oblast.

We, for our part, are also appealing to various bodies and other regions of the republic, but as yet without positive results. At this moment the plant is operating with residual 1990 raw materials, but we cannot hold out any longer as far as water heaters are concerned if the question of allocating stocks is not resolved this month. I mean that in August or in September in the last resort the manufacture of water heaters will be suspended.

[Stepanova] The water heater plant has found itself in a dilemma in a time of wide-ranging economic passions. They have tried to exist autonomously. They moved out of local industry and tried to enter into an alliance with a plant in Khabarovsk producing scale equipment. But they failed. They were on the point of attaining the status

of a small enterprise, but Amur's Main Administration for Material and Technical Supply would not run the risk of being its founder.

That is what life is like for a small plant, choking under the pressure of market relations. Production of highly important output will be suspended soon. All manner of consumer goods are now being produced so that the plant is not entirely ruined. Will that be its saving grace? [Item ends approximately 24 minutes and 25 seconds into the program]

Scientific

Problem Encountered in Mir Station Space Walk

LD2707221991 Moscow Central Television First Program Network in Russian 1800 GMT 27 Jul 91

[From the "Vremya" newscast]

[Text] Today's working day in open space by Soviet cosmonauts Anatoliy Artsebarskiy and Sergey Krikalev lasted six hours and 49 minutes. Our correspondent reports from Flight Control Center.

[Correspondent A. Gerasimov] The cosmonauts' working day ended with an alarm. The visor on the spacesuit of the crew commander got steamed up when he was on the way back, and Anatoliy found himself in a sort of fog. The flight engineer had to do the last operation for both of them, and then to act as a guide to Artsebarskiy. Fortunately, all ended well, and the cosmonauts are now resting. [Video shows Flight Control Center scenes]

Report on New Experiments

LD2807080491

[Editorial Report] Moscow All-Union First Program Radio-1 Network in Russian at 1600 GMT on 27 July carries a 5-minute report by correspondent Vladimir Bizyayev on the SOFORA experiment completed today by the crew of the Mir space station.

He says that "a very important experiment called SOFORA was completed today". He explains that a sofora is a miraculous tree which grows very quickly. So this, in principle, was the "salt" of the experiment: To erect, in a very short time, a miraculus large-size assembly on the exterior side of the station. These assemblies will become prototypes and a necessary component of future orbital stations. Solar batteries and enormous aerials for transmitting electric power to earth obtained from, again, enormous solar electric power stations will be installed on these assemblies." [sentence as heard]

Bizyayev continues: "But there is also a lot of work on earth." He explains that shape-memory metal alloys, that is alloys which when heated resume their original size, can be used in stomatology as well as in the automobile industry. "In short, there are many fields for using these alloys".

Bizyayev says: "This was only the first stage. A new experiment will be carried out in approximatley one year's time when a complete assembly... this time modules were assembled using sleeves made from these alloys, next time it will be an assembly which when folded occupies very little space but as soon as it is heated expands to a large size."

He concludes: "The program for this work has changed because there are changes in a future manned program—but this is a topic for a separate report—sooner or later we will come back to this."

Military

Admiral Discusses Changes in Navy

LD2707053491 Moscow All-Union Radio First Program Radio-1 Network in Russian 0800 GMT 26 Jul 91

[Interview with Vice Admiral Leonid Petrovich Kucherov, first deputy chief of the Navy Miliary-Political Directorate, by commentator Kim Kukholev; place and date not given; from the "Topical Themes" program—recorded]

[Excerpts] [Kukholev] Leonid Petrovich, let us begin with questions that many unsophisticated listeners ask. Soviet warships sail the seas and oceans of virtually the whole world, they say. They ask why. Is there a need to keep a Navy far from our country's borders, especially as we adopted a defensive doctrine not all that long ago?

[Kucherov] That is an interesting question. As is the case with anything in life, it is not asked without a purpose. I can say that, in the main, all the Navy is in our bases, but there are ships fulfilling tasks in accordance with state interests. They are present in particular regions, as is the U.S. Navy, for example. You mentioned the defensive doctrine, but the defensive doctrine does not just mean staying on our own territory. If the United States' main strategic weapons are today deployed on submarines, somebody has to keep an eye on them, to make sure that they are not used. These tasks are fulfilled today by our submarines and Air Force and from space, all together. Therefore, it will be hard for such a large country, whose Navy will be 300 years old in 1996, to manage without tasks in various regions.

[Kukholev] What state is our Navy in today? Of course, I mean its combat readiness, above all.

[Kucherov] The Navy's combat readiness meets the prescribed requirements. The ships which are supposed to be on permanent combat readiness are indeed on permanent combat readiness. Checks and inspections carried out by the Defense Ministry show that the ships are fulfilling their tasks. Of course, we do have problems today as well. The Navy, individual ships, are growing

old, and we need repair bases, but not all that much money is being allocated for repairs now, so some ships today are going through a crisis. Some of them are being withdrawn from our fighting strength in connection with this.

[Kukholev] But they are being replaced with new ships. I recently took part in what I shall call a long-distance sea expedition: we went with our ships from Sevastopol to Toulon. On the way, I suddenly saw some kind of enormous steel object in the water, and our cruiser, the Azov, was simply a tiddler by comparison. I read the name of that ship: the Kuznetsov. They say it is an ultra-modern ship.

[Kucherov] Of course, new ships will replace those which are now being withdrawn from our fighting strength. There will not be all that many, for the defensive doctrine is beginning to play its part here. You did indeed see a new ship, the aircraft-carrier cruiser Kuznetsov, which is now undergoing tests in the Black Sea. To compare it with American ships, which have long included aircraft carriers, this ship resembles that class to a certain degree, but not completely.

[Kuzholev] Let us talk a little now about perestroyka. We know that perestroyka in our country has affected the armed forces too, and what do you think, I mean, have the main areas for reform in the Navy been defined already?

[Kucharov] The changes going on are primarily structural. Individual forces are being cut. Many questions are being asked today about raising professionalism and training the officer corps, warrant officers, and ordinary sailors. Therefore, the curriculum of military colleges are changing and becoming fuller, in order to give officers a higher level of training. The system of instructions at training centers is also changing. As you know, a law has been adopted setting two years as the term of service in the Navy. For that reason much attention is being paid today to improving the way that instruction is organized for compulsory service personnel in training units. We will be performing an experiment in manpower acquisition on a voluntary basis from personnel on compulsory service. The experiment will begin at the end of the year. It is giving rise to many questions today: We will end barracks it will be necessary to expand the social sphere, to accommodate the comrades serving on a contractual basis.

[Kukholev] How much will a hired sailor receive, roughly?

[Kucherov] That will depend on the regions in which he serves. So far, the preliminary figure is between just over 200 and 400 rubles. [passage omitted]

[Kukholev] I would like to know what the political bodies do in this age of perestroyka.

[Kucherov] Let me put it this way: they are not short of work. The president defined the tasks of the military-political bodies in his decree. Now that party structures have become independent, the military-political bodies no longer deal with those matters. Their main task is to carry out social policy. More and more problems of that kind are accumulating today. For example, the Navy's military-political directorate recently studied the problems of trade provision in the Pacific fleet and made a similar study in the Northern fleet. The housing problem is very acute, and it has to be solved somehow now. The Armed Forces cannot cope alone today with those who have no accommodation. We have a difficult problem with people without accommodation in the Black Sea and Pacific Fleets and in the center, in Moscow, and Leningrad. [passage omitted]

Chernavin Indicates Force Reduction

LD2807160791 Moscow All-Union Radio Mayak Network in Russian 0600 GMT 28 Jul 91

[Text] Today is USSR Navy Day. This is now a complex and multifunctional branch of the Armed Forces, said Fleet Admiral Chernavin, commander in chief of the Navy, USSR deputy minister of defense, in an interview on the eve of the holiday. He also noted that it is intended to cut the forces afloat [korabelnyy sostav] by 20-25 percent by the year 2000, and to maintain them at the level of defense sufficiency.

Estonia

Savisaar Views 'Pressing' Northeastern Crisis

OW2907034391 Moscow BALTFAX in English 1500 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] Speaking on the Estonian radio Saturday, Prime Minister of Estonia Edgar Savisaar described the problem of Estonia's north-eastern region as "pressing."

Earlier this week the chairmen of the three north-eastern cities' councils urged the republic's leadership to begin talks on giving the region a special status within Estonia, otherwise threatening to secede from the republic.

On July 2 the Narva City Council decided to shut down a customs post in the city.

Mr. Savisaar emphasized that the demands of the North East leaders should be considered as soon as possible. He added that the best time for settling the problem has already been lost and now the republic's leadership will have to start talks from the worse position.

Mr. Savisaar suggested that an emergency session of the Estonian Supreme Council should be called to resolve the "Narva crisis."

He once again proposed to create a free economic zone in the region as a possible solution of the problem and sharply criticized the decision by the Estonian Supreme Council to suspend work on its creation.

The authorities of the three north-eastern cities—Narva, Sillamae and Kohtla-Jarve—have repeatedly announced their adherence both to Estonian and Soviet laws.

The Estonians make up from 3.2 to 20.9

of the population of these cities.

Possible Trade Agreement With Union Discussed

LD2607222591 Tallinn Radio Tallinn Network in Estonian 0900 GMT 26 Jul 91

[Excerpts] What should be Estonia's attitude toward Moscow? Can there be a clear-cut position at all? From the political point of view it seems it is clear, but from the economic point perhaps not at all. Juhan Virkus is the interviewer.

[Begin recording] [Virkus] Preparations are underway for concluding a Union-Estonian trade agreement. And just now Ants Laansalu, deputy minister of agriculture, has returned from Moscow, from the Union's Ministry of Agriculture. First, what is their attitude toward us? How were you received?

[Laansalu] Well, we went there together with representatives from our Ministry of the Economy and we were received in the way we would like it ourselves: either as a union republic or an independent state, and accordingly, a whole string of issues and conditions for trade must be resolved.

[Virkus] What does the Union propose on its part?

[Laansalu] There is a maximum version which sets up a union trading fund, with all resources allocated at the 1990 level, that is, the actual level or the planned 1991 level, with the volume of trade amounting to 520 million rubles, and the obligations on our part slightly bigger with this version than what we took upon ourselves this year.

Another version—that is the minimum version—contains 16 articles covering material resources, with the volume of trade 350 million rubles, and protein supplements will be included in this version—the quantity is not precisely known as yet. And the third version is in world trade prices, at the level of world trade. That is, if we present ourselves as an independent republic—but in that case as one knows money must be found. And the fourth version is if we do not want to trade at all. This possibility also exists. Then we will have to find dollars in order to make purchases at the world market for hundreds of millions.

[Virkus] What is clear is that at the moment those sources do not exist for us which would allow us to buy at the world market for hundreds of millions. By the way, there are enough goods there. And so, evidently we will have to find ways and means for trading with our eastern neighbor. [passage omitted]

[Laansalu] A decision must be made by politicians. Whatever they decide and if they listen to specialists at all, that is quite another matter. But taking into account our traditions, specialists have not been heard seriously up until now. It is up to us to advise at present. We do not have the authorization at present to act on our own. [end recording]

Draft Border Agreement With Latvia 'Ready'

LD2707020291 Tallinn Radio Tallinn Network in Estonian 1700 GMT 24 Jul 91

[Text] The draft of the Estonian-Latvian border treaty is ready. That was said at a news conference today in Toompea by the working group to restore the border. The sea and land borders were both considered. As Udo Helme, consultant of the state chancellery, said, the discussions were successful. It is too early to speak of a border regime; first it is necessary to define the sea border which, for example, is also important for third states. According to (?Vilnis Evaidzene), chief specialist of the Latvian KGB, land-improvement work has not altered border areas, and for this reason it is possible to restore the border on the basis of maps and documents drawn up as of 16 June 1940. There is no principled discord between Estonia and Latvia; even the border between Valga and Valka has not been become a bone of contention. Any border regime will be regulated on the

basis of treaties to be concluded in the future. Naturally, setting up borders is expensive but independence, indeed, is not cheap. It was also noted at the news conference that even during the years of independence the number of border guards between Estonia and Latvia was not particularly high.

Republic Sets 'Real Value' of Internal Ruble

LD2807185791 Moscow All-Union Radio Mayak Network in Russian 1800 GMT 28 Jul 91

[Text] Estonia has taken one more step in the direction of the market economy. It has set the real value of the ruble on its own territory at 33 rubles to the dollar for all categories of the population, including members of the government.

In specialists' opinions, the internal covertibility of the ruble will lead to export from the Soviet Union now being bound to through Estonia. This will be advantageous for many of the country's enterprises, buying or selling hard currency at market rates.

Cost of Living in Republic More Expensive

OW2907042291 Moscow BALTFAX in English 1230 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] According to the Estonian Department of Statistics in comparison with the second half of last year prices in this Baltic republic have over the period of a year risen 2.6 times for industrial goods and 3 times for foodstuffs.

The biggest increase has been in the price of fish and fish products—up 4.3 times, meat and meat products up 3.8 times, furniture and carpets up 3.7 times and potatoes up 3.5 times.

In comparison with the final quarter of 1989 the average cost of living has gone up 3,408 times.

Deaths During Pre-War Repressions Investigated

LD2607202291 Tallinn Radio Tallinn Network in Estonian 1700 GMT 25 Jul 91

[Excerpts] Today in Toompea, a news conference took place by the commission dealing with research into the fate of former Republic of Estonia ministers and Riigivolikogu [Parliament] members. Mati Kirotar will provide a survey:

[Kirotar] We are talking here of a government commission whose chairman is Mart Rask, first deputy minister of justice. It is composed of nine members representing different departments and movements. The present commission was set up after Edgar Savissar's Siberian tour, on 12 July, with a corresponding government instruction. As you remember, the Estonian Government delegation also visited during its tour places where Estonian statesmen and public figures of the pre-war period perished. [passage omitted]

What is important at the moment is that the research carried out so far by public movements and Memento [voluntary organization supporting those who were repressed] has now reached the government level, and that in the future the government will also provide material support for further work. [passage omitted]

Vladimir Pool, deputy chairman of the Security Committee, said that his department is willing to assist the research work in every way. Good work has already been done in the course of the past couple of years. Over 14,000 files have been examined, and that way data has become clearer about more than 30,000 persons. Finding out data about another 60,000 persons will take another three years, provided there is financial support. [passage omitted]

Latvia

MVD Official Recognizes Right To Set Up Police

PM2907083191 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 91 p 2

[Unattributed report under the general heading: "News in Brief"]

[Text] Yuris Dobelis, deputy chairman of the Latvian Supreme Soviet Commission for Defense and Internal Affairs, noted at a Riga press conference the importance of the statement made by Vitaliy Sidorov, USSR deputy minister of internal affairs, that the measures linked with the creation of a police force in Latvia fall exclusively within the purview of the Latvian Republic. V. Sidorov made this statement in Riga, addressing a conference of Latvian militiamen. The USSR deputy minister of internal affairs also promised that the USSR will not create any alternative structures to the Latvian Police.

Republic Officials on Internal Troops, OMON

LD2807164291 Riga Radio Riga International in English 1730 GMT 27 Jul 91

[Text] The Soviet Army and the units of Black Berets or OMON [special purpose militia detachment] are not only ones acting in Latvia in accordance with the laws and regulations of the Soviet Union. The so-called Internal Troops, directly controlled by the Soviet Interior Ministry, are accompanying them as well. They basically consist of Soviet Army recruits serving in the interior forces instead of the regular army.

Recently the chiefs of the interior forces in Latvia demanded republican government to increase their wages in order to adapt [to] the new prices, which have [been] raised several times. The government was also asked to improve the living conditions and the social insurance system from republican annual budget. They also warned that in case these demands are not met, they

would be forced to leave their duties of guarding places of imprisonment and other key objects of the Supreme Court system. This announcement nearly shocked [as heard] the Ministry of Interior of Latvia, since the rest of its staff were facing the same hardships but had not been presented any ultimatum. Now the consensus seems to be reached with the Moscow headquarters of the interior forces. The minister of interior of Latvia, Aloisz Vaznis, comments:

[Begin Vaznis recording in Latvian with superimposed translation to English] We have already reached the principle agreement with the Ministry of Interior of the USSR that the so-called interior troops of the USSR will stop functioning in Latvia on the 1st January 1992. It virtually means that they will not escort prisoners, guard places of imprisonment and the Supreme Court. Now we have to take over these functions and create a special unit for this particular purpose. The Ministry of the Interior of the USSR has presented an ultimatum to the Government of Latvia to allot 10 million rubles from the 1992 budget of Latvia for the functioning of the Internal Troops, as well as to help fulfill the Soviet Army's call-up plan from the territory of Latvia for the last three years. We calculated that it is neither realistic nor purposeful for us, and so we decided to take over these functions. [end recording]

Yuris Dorbelis, the deputy chairman of the Latvian Supreme Council's Committee for Interior Affairs and Defense, explains that this reform cannot be carried out without a legal background:

[Begins Dorbelis recording in Latvian with superimposed translation to English] That is closely connected with the work of the Supreme Council of Latvia. We are likely to adopt our own law on military service, which could come into effect by autumn call-up in the Soviet Army. To substitute the interior forces of the Soviet Interior Ministry we would have to employ and appropriately train about 500 fellows. Nevertheless, many details of the project are still on air. The greatest problem is to get back offices and barracks still owned by the Soviet Internal Troops. [end recording]

Aloisz Vaznis, the minister of interior of Latvia, is also not quite sure whether the Soviet Internal Troops will be very much pleased to leave the territory of the Republic after replacing them with a local interior unit. Deputy Yuris Dorbelis stressed that the question of the future status of the Soviet Internal Troops must be regarded only as a small link in the chain:

[Begin Dorbelis recording] I think that this issue has to be studied comprehensively with the guards of the attitude of the military circles [as heard] told all the actions we are going to carry out in the Republic of Latvia. And the general attitude of the military men and their supporters is rather clear. The fact that they indirectly support the OMON terroristic group, better known as the Black Berets, and that the bursting charges [as heard] belonging to the Soviet Army were used in the chain of over twenty blasts staged in Latvia last year, does not prove anything. But the demonstrative parade of the military technique and public search for recruits in front of the Parliament buildings in Lithuania's capital Vilnius during the recent months exceeds the limit of friendly coexistence. [end recording]

Riga OMON Reportedly Attack, Burn Border Post

LD2807104391 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 28 Jul 91

[Text] I did say "Good day," however this day began with yet another incident at the Salociai border post in Pasvalys Rayon. The Ministry of Internal Affairs report regarding this incident is as follows:

At approximately 0100 today, a red vehicle, VAZ 2106, pulled up to the Salociai border post from the Latvia side. This is a familiar automobile license plate—it is of Latvian registry. Five civilian-clad men, armed with automatic weapons, jumped out of the vehicle. They forced those inside the post—three country's defense department officials and three border staff members—to lie on the ground. They hit defense department official (Eikimavicius) over the head with a rifle butt. Following this, they brought a gasoline container from the car, spilled the gasoline inside the post trailer and set it on fire.

At the same time, at approximately 0110, a man dressed in blue sports clothes and armed with an automatic weapon broke into the apartment of citizen (Prezis), which is adjacent to the border post. He searched the rooms, shouted foul language at the individuals who were having a birthday celebration inside the apartment, tore a Lithuanian Republic coat of arms replica off the wall, broke the electric power meter, and departed.

The incident was witnessed by a Riga resident who happened to be driving by.

Fifteen minutes later, the Latvian border post, which was located nearby, was also set on fire. This operation included a white Volga vehicle already familiar to many of the border guards. A Latvian militia staff member was beaten and his weapon was taken from him. Thus, here is yet another instance of rampaging by the Riga—most probably—the Riga OMON [Special Purpose Militia Detachment] even though we know that criminal proceedings have supposedly been instituted by the Soviet Union's Procuracy against the Riga OMON. However, it appears the independent military experts, (Aleksandr Ikhtigniev) and (Gennadiy Melkov), are unfortunately correct in their conclusions regarding the notorious 13 January events; they concluded that these proceedings brought against the Riga OMON by the Soviet Union's General Procuracy will come to nothing. [word indistinct] in Moscow at the beginning of June, but here, not much time has gone by and Riga OMON is on the rampage again. In other words, the criminal proceedings brought against the Riga OMON by the USSR General Procuracy is really getting nowhere.

Bank Heads Invited to Consultations in Moscow

PM2907081591 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 91 p 2

[BALTIYA report under the general heading: "Panorama of the Country"]

[Text] Riga—Alfreds Bergs-Bergmanis, chairman of the USSR Gosbank [State Bank] Latvian Republic Bank Board, and Pavils Saks, president of the Bank of Latvia, have taken part in a Moscow session on banking and credit policy in the second half-year, BALTIYA reports.

Inviting the president of the Bank of Latvia to the session, in A. Bergs-Bergmanis' opinion, shows that Moscow considers him a representative of a national bank. "However, the president of the Bank of Latvia does not yet have any economic levers, and therefore it is important to coordinate the activity of the two banks in Latvia."

Interior Minister on Agreement With Belorussia

LD2607151191 Riga Radio Riga Network in Latvian 0500 GMT 26 Jul 91

[Excerpts] Yesterday afternoon in Riga an agreement was signed on mutual cooperation and assistance between the internal affairs establishments of Latvia and Belorussia in order to enable a more effective advance against rapidly increasing crime. The agreement was signed by Vladimir Yegorov and Aloizs Vaznis, ministers of internal affairs of the republics of Belorussia and Latvia. After the signing of the agreement, our correspondent, Higo Moisejevs, asked Aloizs Vaznis to speak.

[Begin recording] [Moisejevs] Mr. Vaznis, it appears that, if I am not mistaken, this is the third agreement that the Ministry of Internal Affairs of the Republic of Latvia has concluded with its neighbors. In your opinion, what is the role of these agreements?

[Vaznis] We recently signed an agreement with Mr. Vladimir Yegorov, between the Ministry of Internal Affairs of the Republic of Latvia and the Ministry of Internal Affairs of the Belorussian Soviet Socialist Republic.

This is the second agreement, as we signed the first agreement with the Republic of Moldova. We have signed an agreement with Lithuania and Estonia, and are preparing a Baltic agreement now.

I think that these agreements play a very big role, because at present the internal affairs systems of the Union republics are gradually gaining an increasingly greater independence. As a result of this independence, new problems and new questions arise. It is indeed necessary for us to go in for direct contacts; not the kind of transit contacts through the USSR Ministry of Internal Affairs, but direct contacts with the ministries of internal affairs of the republics. This is especially important for those republics bordering the Republic of Latvia, including the Republic of Belorussia.

Apart from that, there are many aspects by which we are connected with the Republic of Belorussia: every 10th worker in our internal affairs system is a Belorussian; the minister of internal affairs of Belorussia formerly worked as the minister of internal affairs of the Republic of Latvia; and we already are cooperating in practice and are helping one another all the time. Now this help, these mutual contacts, will obtain juridical grounds and will be consolidated even more. [passage omitted]

[Moisejevs] The agreement comes into force with its signing today.

[Vaznis] Yes. The agreement comes into force from the moment of its signing. We hope that this agreement will promote effective mutual relations in all spheres envisaged for the internal affairs establishments. Thank you. [end recording]

Republic Not To Participate in Ruble Conversion

LD2707014891 Riga Radio Riga Network in Latvian 0430 GMT 26 Jul 91

[Excerpt] The Government of the Republic of Latvia does not believe in the convertibility of the ruble and has decided not to participate actively in the implementation of the conversion of the ruble program. Therefore, it has been decided that Latvia, the same as Lithuania, will participate in this program only as an observer. [passage omitted]

Independent TV, Radio Set To Begin in August

LD2707035891 Riga Radio Riga International in English 2030 GMT 26 Jul 91

[Text] A new independent TV and radio company [is] on its way to existence thus forming competition for the already existing Latvian TV and radio, Chairman of Latvian Radio and TV Committee Janis Laja informed in the newspaper ATMODA.

Necessary equipment and other facilities including premises will be partly owned by coop and partly privately owned. New radio company will extend broadcasts on shortwave and will use FM, the so-called frequency modulation, which is not up to now used in the Baltics.

A new radio station is due to start its regular programs in August this year.

Information Bureau To Be Opened in Toronto

OW2907041191 Moscow BALTFAX in English 0930 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] Vice Chairman of the Latvian Parliament Andreis Krastins has told BF [BALTFAX] that the Canadian Government has earmarked $60,000 for the opening of a

Latvian information bureau in Toronto and the Government of Ontario where many ethnic Latvians live 100,000 Canadian dollars.

A Canadian delegation is to arrive in Riga on Saturday. During the visit among other things it will discuss the opening of the Latvian bureau to Toronto.

Meeting of Latvian Forest Brothers To Be Held

OW2907041291 Moscow BALTFAX in English 0930 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] BF [BALTFAX] has been informed by the coordinating center of the Latvian Popular Front in Jekabpils, that the first meeting of Forest Brothers—members of resistance groups to the Soviet power in Latvia after World War Two—from around the republic will take place in Kureme on Saturday.

More on Rally; Veterans Protest

LD2807032791 Moscow Russian Television Network in Russian 2000 GMT 27 Jul 91

[From the "Vesti" newscast]

[Text] Today, almost 50 years after victory, the Forest Brothers, those who are now called National Partisans in Latvia, have gathered for their first rally. Included among them were those whose hands really had been stained with the blood of innocent victims but there were also those who sincerely believed that they were fighting for the independence of their motherland. Not everyone agrees with such an interpretation of the past. [video shows protesters carrying banners stating among other things that the Forest Brothers are the shame and curse of Soviet Latvia]

In the center of Riga, veterans of the Great Patriotic War and of the Soviet Army, with the approval of Interfront, held a protest. Neither the rally nor the countermeasure aroused great interest among the residents of Riga.

Lawsuit Brought Against Republic Customs Officers

OW2907045391 Moscow BALTFAX in English 0930 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] According to the procurator of the Daugavpils region A. Bortsov, the procurator's office of the region has brought charges of bribe-taking against Latvian customs officers. Bortsov felt that the case might arouse serious public response.

Some time ago the procurator of Daugavpils S. Magonadov said in an interview for a local newspaper that customs checkpoints will soon be closed at the city railway station, freight station and highways around the city which he described as seats of social tension.

BF's [BALTFAX] correspondent reports that the deputy procurator of the Latvian SSR A. Rednieks has visited Daugavpils. (The procurator's office of the Latvian SSR unlike the procurator's office of the Latvian republic is subordinate to judicial authorities in Moscow.) At a meeting of law-enforcement workers at the city CPSU committee he "advised" them to close the customs checkpoints in Daugavpils "nicely before Black Berets come from Riga".

'Sky of Cooperation' Conference in Yurmala

OW2607013591 Moscow BALTFAX in English 1230 GMT 25 Jul 91

[Following item transmitted via KYODO]

[Text] The international conference "The Sky of Cooperation" is taking place in Yurmala under Riga.

As Director of the USSR Aviation Security Fund Valeriy Shelkovnikov told BF [BALTFAX], the main aim of the conference is to discuss the possibilities of improving the Union and the republic's legislations about aviation. In his opinion, the problem is very urgent because the Soviet air space is becoming more and more open for international flights. Mr. Shelkovnikov says not so long ago one could fly abroad only from the international airports in Moscow, Leningrad, Kiev and Tashkent. "Today international flights can be taken from 25 airports of the country", he stresses.

Mr. Shelkovnikov says a growing number of personal planes, as well as an increase of business flights are expected. He believes that makes it necessary to work out single aviation rules according to the standards of the International Civil Aviation Organization.

Mr. Shelkovnikov also says the USSR Aviation Security Fund proposes to set up the Association of Business Aviation and the join the International Aircraft Owners and Pilots Association.

Lithuania

Border Issues Discussed at Meeting of 'Experts'

OW2907044091 Moscow BALTFAX in English 1830 GMT 26 Jun 91

[Following item transmitted via KYODO]

[Text] According to information from the press department of Lithuania's Foreign Ministry, a team of Lithuania's experts involved in the negotiations with the Soviet Union met with a group of Soviet experts at the KGB of the USSR on July 26.

Representatives of the KGB and the Border Guard of the USSR agreed that there was good reason to open soon two new international crossing points on Lithuania's border with Poland, with one point (at Kalvarija) handling vehicular and pedestrian traffic and the other—a

railway station named Sestokai—for railway traffic. Lithuania's border with Poland can at the present time be crossed only at one point Lazdijai which operates at far above its capacity.

The experts also undertook a review of border issues involved in Soviet-Lithuanian relations.

More on Border Discussions in Moscow

LD2707042191 Vilnius Radio Vilnius International Service in Lithuanian 2130 GMT 26 Jul 91

[Text] A meeting of Lithuanian and Soviet experts was held at the KGB headquarters in Moscow today. The Lithuanian group of experts on state security and the border regime was headed by First Deputy Minister of Foreign Affairs Valdemaras Katkus.

As reported by the Foreign Ministry information department, representatives of the Soviet KGB and border troops agreed at the meeting that it would be expedient to open an international car traffic and passenger checkpoint at Kalvarija on the Polish border and a railroad link from Sestokay to the Polish Border.

It is reported that the four-hour meeting was held in an atmosphere of mutual understanding. The next meeting is scheduled for late August.

Republic Officials' Meeting With OMON Chief

LD2707045991 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 26 Jul 91

[Text] Vaclovas Zabarauskas, deputy internal affairs minister of Lithuania, has confirmed to Vilnius Radio the announcement published in the press noting that this ministry's leadership has held consultations with the chief of the infamous Black Beret unit.

The newspaper RESPUBLIKA today presented a statement by Lithuanian Internal Affairs Minister Marijonas Misiukonis noting that it is specifically his institution's responsibility to maintain public order and it falls to him namely to clarify with OMON [Special Purpose Militia Detachment] leaders what actions they intend to carry out.

Deputy Foreign Minister Vaclovas Zabarauskas told Vilnius Radio that Boleslovas Makutinovicius, chief of the Black Beret unit, did pay a visit to the ministry exactly one week ago. The meeting took place at the initiative of the official of the USSR Ministry of Internal Affairs, who had come to Lithuania on the eve of President Gorbachev's London visit.

The deputy minister received the impression that the high visitor from Moscow was assigned to restrain the Black Berets from actions that could have harmed the Soviets' major policy.

The dialogue with the Black Beret chief itself was of an exploratory nature—the sides wanted to clarify the situation in the enemies' camps and their intentions.

Vaclovas Zabarauskas received the impression that the Black Beret unit was living under constant pressure since they are constantly fed the suggestion that their base was facing a possible attack.

Boleslovas Makutinovicius promised, among other things, to remove the unit from the occupied Police Academy buildings if the Ministry of Internal Affairs assigns other premises for their use. However, he did not elicit an affirmative reply.

As is already known, the Lithuanian General Procuracy is accusing the Black Berets of involvement in 40 incidents resulting in criminal charges. Major Makutinovicius has denied his unit's involvement in some incidents and has failed to confirm such involvement in others.

The heads of the Lithuanian Internal Affairs Ministry are of the opinion that such meetings are worth continuing.

More on Meeting With OMON Chief

OW2907034691 Moscow BALTFAX in English 1230 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] Lithuanian Deputy Interior Minister Vaclovas Zabarauskas told BF [BALTFAX] that the chief of the Vilnius OMON [Special Purpose Militia Detachment] special unit Boleslav Makutinovic had visited the Lithuanian Interior Ministry a few days ago. Mr. Zabarauskas said the OMON chief had promised to remove OMON from the Police Academy building (captured by it in January—BF), if the Lithuanian Interior Ministry grants it other premises.

Mr. Zabarauskas pointed out that the Lithuanian Public Prosecutor's Office accuses OMON of being involved in 40 incidents during the January events. All of them are being investigated. Boleslav Makutinovic denied OMON's involvement in some of the incidents but at the same time did not confirm participation in the rest of them.

Parliament Debates Interior Minister Appointment

LD2607151291 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 25 Jul 91

[Text] Today Parliament again discussed the appointment of the minister of internal affairs, but without any tangible results. Prime Minister Gediminas Vagnorius submitted two proposals: to appoint himself as acting minister, or to authorize the prime minister to appoint one of the two deputy ministers of internal affairs to be acting minister. According to the prime minister, the result will be the same in both cases because after the appointment of the prime minister to that post, on the same day he would issue an order instructing one of the present deputies to discharge the duties of the minister. Gediminas Vagnorius stated

once again that he does not have any firm candidate in mind. Therefore, the only solution is not to appoint a permanent minister.

His first proposal—to entrust the minister's duties temporarily to the prime minister—was once again opposed by the left wing, center, and liberal factions, which argue that such a solution is unconstitutional. At the same time, these factions state that the second option could be considered, but only after parliamentary consultations. After the prime minister expressed his agreement, all the interested parties left the hall for consultations. After these consultations, a Vilnius Radio correspondent heard in the lobby that Prime Minister Gediminas Vagnorius should obtain Minister of Internal Affairs Marijonas Misiukonis' resignation. Only then can he appoint a deputy minister to be acting minister.

Meanwhile, Marijonas Misiukonis, who has just returned from vacation, stated in an interview that he was not and is not serving any political groups or deputies, despite various pressures. He pointed out in the newspaper RESPUBLIKA that the Independence Party and its leader, Virgilijus Cepaitis, have been attempting to influence police. The latter, according to the minister, has lectured more than once that police officials who are former Communist Party members should be sacked. Over 30 percent of the police force falls into this category.

This week in Parliament Prime Minister Gediminas Vagnorius asserted that left-wing forces have been exerting pressure on the Ministry of Internal Affairs' leadership.

In the opinion of Marijonas Misiukonis, the assertion that after changing the leader of the ministry the lower ranking officials will not be changed is groundless. In an interview with RESPUBLIKA, Misiukonis confirms that since last January representatives of some state institutions have been exerting pressure on the minister and many police commissars for weapons supply. According to the head of the Ministry of Internal Affairs, the flow of weapons to any other structure will only lead to fratricidal actions.

Vilnius Paper Names Interior Minister Candidate

LD2807005191 Vilnius Radio Vilnius in English 2130 GMT 27 Jul 91

[Text] For two weeks already debates in Parliament have been going on and passions in the press and society are running high over the case of the Lithuanian minister of the interior. Today's issue of the daily RESPUBLIKA informs that a meeting was held yesterday between Prime Minister Gediminus Vagnorius and officials of the Interior Ministry. The initiative of holding such a meeting came from the acting interior minister, Marijonas Misiukonis, and other officials of the ministry. It was agreed that this Sunday the leadership of the Interior Ministry will be given an opportunity to speak on Lithuanian TV. Mr. Misiukonis said the officials would tell the viewers that the stirring up of passions and the unending debates on the minister's post might be made use of by those who seek political goals.

The commissar general of the Lithuanian police, Mr. Pranas Liubertas, is quoted by the newspaper as having said that the current discussions on the interior minister's portfolio looked more like gambling than like seeking a solution to the problem. According to the RESPUBLIKA daily the commissar general, Pranas Liubertas, has already been temporarily commissioned to act as the minister of the interior instead of Mr. Marijonas Misiukonis but as the commissar general of the police is leaving on summer vacation the minister's post will temporarily go to Mr. Vaclovas Zabarauskas, who is now deputy minister of the interior.

Agreements Include Resettlement of Russians

LD2707111391 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 26 Jul 91

[Roma Pakeniene report]

[Excerpts] Two special agreements will be signed on 29 July in Moscow together with the interstate treaty between Lithuania and Russia. They are on Kaliningrad Oblast, and on the resettlement to Russia of 150 Russian-speaking families from Mazeikiai.

The latter agreement was drawn up yesterday after the working groups of the Lithuanian and Russian Governments met for the last three days in Vilnius. Vladimiras Grazulis, chief of the migration service of the Lithuanian Ministry of Social Security, told Vilnius Radio that the aim of this agreement is to help to resettle people who were invited 12-13 years ago to Mazeikiai's oil refinery from various places in the Soviet Union and who now wish to return to their homeland. The agreement describes the obligations of the Lithuanian and Russian Governments in resolving the resettlers' problems.

The main problem is housing construction. In 1979-80 when approximately 300 families arrived in Mazeikiai from the Soviet Union they were all supplied with new apartments. The funds for construction were provided by the Soviet Government. In this document the two sides agree that all departing people will hand over their apartments to the local government authorities, and that the Lithuanian Government will finance the construction of new apartments in Leningrad Oblast where a large oil processing plant is being built. Thus, according to Vladimiras Grazulis, the Lithuanian budget will not suffer. At Russia's request the Lithuanian Government promises to send construction workers to Leningrad—in view of the shortage of employment in Lithuania—who will help to build the apartments more quickly.

Apart from that, Russia's representatives insistently asked the Lithuanians also to build schools, stores, kindergartens, and other institutions in Leningrad Oblast. But Lithuania refused and, according to

Vladimiras Grazulis, does not intend to conduct negotiations on this issue. He said that on the whole the negotiations with Russia's representatives were very difficult because they made many requests such as, for instance, that Lithuania should build the apartments from its own materials, or that it should cover all the removal expenses of these families. We explained, he said, that Lithuania has already paid these expenses once and has no obligations as regards these people. It is true that in individual cases, when both sides agree, travel expenditure can be paid from the Lithuanian budget. This would apply to poor families or pensioners.

This is the first such agreement with any foreign state concerning the resettlement of a rather larger group of people to be signed by Lithuania. According to Vladimiras Grazulis, this is an exceptional document and any similar agreements should not be based on it. It is true that a more general agreement will be drawn up with Russia and maybe with the Ukraine and Belorussia on the resettlement of people. These will most likely be repatriation agreements, although Russia does not yet wish to agree to this term. [passage omitted]

The agreement to be signed on 29 July in Moscow applies by far not to all Russian-speaking people living in Mazeikiai and wishing to leave, but only to the so-called invited people. They are highly qualified experts who are graduates of high schools in the Soviet Union, who worked in other oil refineries and who were invited to come to work in the Mazeikiai oil refinery, which was under construction at that time. It is usual in the Soviet Union for good workers to migrate from one large construction to another. In 1979-80 some 300 families arrived in Mazeikiai. Some of them have already left Lithuania. [passage omitted]. Many Russian speakers have left the refinery individually and have found other places of residence. Such people are no longer regarded as invited. They are termed those who arrived of their free will. This includes people who today are no longer working at the oil refinery. According to the Lithuanian-Russian agreement, this means that the two sides are no longer concerned about them.

In practice, all 150-160 families included in the special list of resettlers are families who do not know where to go. Their only wish is to leave Lithuania for any part of the Soviet Union. Political motives had a great influence on their decision. Many of them started thinking about leaving as early as 1988-89, when they were aware of the fact that Lithuania would become an independent state sooner or later.

Almost all Russian-speakers in Mazeikiai speak in good terms about Lithuania. Many of them would like to stay here but link their future with the Soviet Union, wishing to remain citizens of that state.

(Tamara Vargentina), head of the refinery's laboratory, who arrived in Mazeikiai from Kazakhstan, states that she came to Lithuania in 1979 to stay here. But today's policy, especially concerning language, makes her feel unsafe. [passage omitted] She is concerned about discrimination against Russian speakers. She personally has not experienced any, but neighbors call Russian children invaders. Many of my acquaintances have left because of this, she said.

I spoke to another expert in Mazeikiai, Valentina Zaitsova, who also came from Kazakhstan. Some time ago her family wanted to leave but have decided to stay in Lithuania. Valentina, whose husband works in the refinery, and two adult daughters have already taken Lithuanian citizenship. [passage omitted]

There are more Russian families in Mazeikiai who have decided to stay in Lithuania and even apply for citizenship from the republic. But some of them still have doubts and do not know what to do. Jonas Jonaitis, an official at the oil refinery, said that the refinery will not suffer because of these people's departure. There are enough of our own qualified experts. According to Vladimiras Grazulis, the Lithuanian Government would like them to stay in Lithuania and feel they are its citizens.

It is expected that the Mazeikiai resettlers will be able to leave in two or three years. So it may be that during that period the number of those wishing to leave will be much smaller.

More on Treaty To Be Signed With Russia

OW2907041391 Moscow BALTFAX in English 0930 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] At a briefing in the Lithuanian Parliament on Friday morning it was announced that under a preliminary understanding the treaty between Lithuania and Russia will be signed on Monday, July 29 at 13:00 in the building of the Russian Parliament, not the Kremlin as planned earlier.

The working group led by Vice-Chairman of the Lithuanian Parliament Ceslovas Stankevicius that arrived in Moscow on Thursday afternoon is finalizing an agreement on the Kaliningrad region with the Russian side. The agreement will be signed simultaneously with the general political treaty. The Lithuanian group is in constant contact with the head of the Lithuanian Parliament Vytautas Landsbergis.

Colonel Brands Landsbergis 'Intolerable'

OW2907080291 Moscow BALTFAX in English 1830 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] "Lithuania's independence, territorial integrity and welfare can only be insured if it remains a union republic", said Colonel Edmundas Kasperavicius, who is also the head of the organisational section of Lithuania's

Communist Party Central Committee, in an interview to a newspaper named "LIETUVOS RYTAS".

Mr Kasperavicius became famous after January 13, 1991, when he began to perform the role of a newscaster at the TV station overrun by the military.

According to Mr Kasperavicius, what he is against is not Latvia, but Mr Landsbergis, who "had consciously sharply swayed to the left in his views after the declaration of independence because of the brazen behavior of the right". The colonel believes that the idea of independence is not all that bad in itself, but putting it into practice will take a very long time.

Going back to January's events in the republic, he said that "it had not been a question of a coup d'etat", adding that "there was an idea that the intolerable Landsbergis could be got rid of".

Newspaper Publishes Statistics on Army Crimes

LD2807040891 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 27 Jul 91

[Text] The Lithuanian newspaper FORUMAS has published statistics of the crimes perpetrated, between January 11 and June 18 of this year, by Soviet soldiers stationed in Lithuania.

The Procuracy of the Republic of Lithuania has instituted 56 case action proceedings during this period resulting from illegal and criminal actions by the Soviet Army.

During the aforementioned period, 22 individuals have perished in Lithuania, 638 individuals have been beaten or injured, 17 buildings have been seized, and 24 instances of hooliganism, destruction of property, kidnapping, and theft have been registered.

Basing itself on the opinion of Vidmantas Jakavicius, deputy senior procurator of the section for investigation and interrogation management of the procuracy of Lithuania, the weekly writes that jurists are finding themselves at an impasse; it is impossible to summon the perpetrators—the Soviet soldiers—to a hearing, to conduct a search, to accurately establish the military unit or the names of the officers who issued the orders or of the soldiers involved.

The newly appointed prosecutor of the Vilnius Military Garrison, Lieutenant Colonel Aleksandr Luchkov, who has been carrying out these duties since June of this year, noted in the course of an interview with the weekly FORUMAS that no one had registered a complaint with the military procuracy concerning the military's actions and the procuracy had also not received any information concerning crimes perpetrated by the military. The valorous Lithuanians do not complain and I think it will be easy to work here, stated Lt. Col. Luchkov in a cynical comment to the weekly.

However, the procurator of the Vilnius Military Garrison confessed that he has heard about the great crimes committed by the military in Lithuania which are under investigation by the USSR military garrison procuracies of Riga and Kaunas.

However, at the Vilnius Military Procuracy, officials assert that four [word indistinct] cases are under investigation concerning the civilians detained and beaten or injured by Soviet soldiers at the end of last January, and also concerning the young boy who was shot in March.

Investigation of 'Illegal' Soviet Army Actions

OW2907041491 Moscow BALTFAX in English 1230 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] The Lithuanian weekly FORUMAS reports that in the period from January 11 to June 18 the Lithuanian Public Prosecutor's Office has launched investigation into 56 cases of "illegal actions by the Soviet Army".

Over this period as many as 20 people have been killed and 638 wounded. Soviet troops have seized 17 buildings and committed 24 hooligan actions.

Republic Bank Recalls Branch's 'Souvenir Coins'

OW2907045291 Moscow BALTFAX in English 1230 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] The Bank of Lithuania has made a statement following the issue of the so-called "souvenir coins" by its Siauliai branch on the occasion of the 4th All-Lithuanian Olympics underway in the republic.

The Siauliai branch of the Bank of Lithuania along with the Siauliai Council of the Lithuanian National Olympic Committee have issued the above mentioned "souvenir coins"—"litavr" and "centravr"—which could be exchanged for Soviet rubles during the Olympics from July 27 through August 4.

The statement says "The Siauliai branch has exceeded its authority putting the name of the Bank of Estonia on the sham coins, because the Bank of Lithuania alone has the exclusive right to issue Lithuanian money.

"Those responsible for the issue will be put on trial according to law," the statement stresses.

The Bank of Lithuania has prohibited to sell the coins as souvenirs and ordered the Siauliai branch to liquidate all of them.

Results of Opinion Poll on Future Reported

OW2907055191 Moscow BALTFAX in English 1500 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] An opinion poll taken by the Vilnius University's sociological service found that 44 percent of all those questioned do not think life in Lithuania will improve in the near future. At the same time three fifths of respondents said they are satisfied with the present situation in the republic.

Most residents of Lithuania support the creation of a multi-party system in the republic but are very cautious about the existing parties.

Thus, 27 percent said none of the Lithuanian parties expresses their interests. 7 percent fully trust the "Sajudis" movement, 6 percent the Lithuanian Democratic Party of Labor, 4 percent—the Social Democratic Party, 3 percent—the Forum For The Future Lithuania and 3 percent—the Democratic Party.

49 percent of all those polled believe the main problem facing the USSR is the economic crisis, 19 percent indicated shortages of consumer goods and 15 percent—food shortages.

21 percent are convinced that a radical political reform is more important for the Soviet Union than the settlement of food problems.

Republic's Parliament Passes Land Reform Law

LD2807014891 Moscow TASS International Service in Russian 1646 GMT 27 Jul 91

[By TASS correspondent Kazis Ustsila]

[Text] Vilnius, 27 Jul (TASS)—The privatization of land in Lithuania will start no later than 1 November this year—this is the decision of Parliament which has passed the law "On Land Reform" by nominal voting.

The main clause of the document determines that "land is a private and state property in the Lithuanian Republic".

It is envisaged that "the right of citizens of Lithuania to land ownership", proclaimed by the law, will be carried out by returning estranged land to former landowners and by selling it.

Persons who "have been working at reorganized agricultural enterprises not less than five years" have an advantage in acquiring the land which is left over after returning it to former landowners. It is also agreed that only "the citizens of Lithuania who have a document proving their citizenship and who are resident in the Lithuanian Republic" can be landowners.

Citizens who are setting up private farms have the right to acquire up to 50 hectares of agricultural land, 10 hectares of forest, and five hectares of reservoirs.

The law determines that the acquired land is not subject to sale, donation, or exchange during a period of five years. This, in the lawmakers' view, should stop possible land speculation.

More on Adoption of Land Reform Bill

LD2807204291 Moscow Russian Television Network in Russian 1700 GMT 28 Jul 91

[From the "Vesti" newscast]

[Text] The Lithuanian Supreme Soviet has adopted the Land Reform Bill. Land will be returned to its previous owners, and others will be able to purchase up to 50 hectares of agricultural land.

Vouchers for Food, Goods in Great Demand

LD2707100391 Moscow All-Union Radio Mayak Network in Russian 0800 GMT 27 Jul 91

[Text] In accordance with a Lithuanian Government decision, standard vouchers to cover purchases of food and industrial goods, for which demand is particularly great, will be introduced in the republic on 29 July. In the opinion of those who drew up this economic measure, it will help to protect the local market. It is planned that each person will receive vouchers to a value of 20 percent of his income.

Activities of Chairman Silayev Reported

Answers Viewers' Questions

LD2707153191 Moscow Russian Television Network in Russian 0900 GMT 27 Jul 91

[Studio interview with Ivan Stepanovich Silayev, chairman of the Russian Soviet Federated Socialist Republic Council of Ministers, by Irina Lapina with viewers' questions, from the "Eleven Plus" program—live]

[Text] [Lapina] Hello, the "Eleven Plus" video channel continues its work live on the air. Ivan Stepanovich Silayev, chairman of the Russian Council of Ministers, will answer your questions for half an hour on telephone number 217-45-63.

Ivan Stepanovich, let me say a few more words. In the first place I congratulate you: You resigned, you returned, and we were very concerned for you. Second, you remember our last meeting on the "Eleven Plus" program. It took place two days before the broadcast. Our days are eventful, you answered questions before you were confirmed, and the program went out after it. Today we are live, there can be no unexpected events. The viewers will use the half-hour allocated in a businesslike way: brief questions, only abut the most important things, and of course answers.

I remind you of the studio number: 217-45-63. While the first calls are being taken, I will ask you to talk about the formation of the new Cabinet of Ministers. To what extent will it actually be new in its structure, the people in it, in its style of work?

[Silayev] Thank you. I want to remind you that I was confirmed on 13 July. This is a very interesting and inspiring number. I consider that we will be able to form the government on the whole by 13 August. But of course people are interested in the principles that will guide us. I would say that they are rather different than in the first term. As is well know, at that time we formed the government over about six months.

In the first place we are trying to preserve acceptability. I have already presented a considerable number of the previous government members to the president for confirmation. At the same time, naturally, a year of work experience has showed our weak points, and there will be personnel changes. I would not like to talk specifically about it now, but in the near future this will become known.

I would most like to talk about the goals we are setting. What should the government be like? How should it work in the new conditions? In the first place a new condition is the presidential structure. That's one thing. Consequently we understand that the government is the foundation of the president's executive activities. Then there is the reform that helped Boris Nikolayevich become president, apart from his personal qualities. And finally the processes which are stormily taking place just now, including the issues of privatization and the transfer of a large number of all kinds of organizations and enterprises to Russian Federation jurisdiction, which demand greater effectiveness in the government's work.

And finally we consider that the government should be even more flexible and more dynamic. it should work on the transfer to market conditions, but it must, if you like, work on the market. For this reason some new structures are arising here. A subdivision such as the committee for farms is appearing here. We see that there is a need for active state support.

I will have a deputy who will handle relations with all nonstate structures ranging from large-scale concerns and joint-stock companies to private enterprises. At the same time we have had some abolitions and reductions with a view to this government being really more efficient.

[Lapina] We are continuing to receive incoming notes. In this connection we have been asked a question by KOMSOMOLSKAYA PRAVDA. Did you manage to read this morning's article? It is entitled "Pensioner Challenges Silayev." Let us say directly that it is rather sharp in tone. Nevertheless it needs a response.

[Silayev] Yes, I did find time to read it, and in general I do not like the way KOMSOMOLSKAYA PRAVDA was able....

[Lapina, interrupting] ...reacts to....

[Silayev, continuing] ...was able to react quickly. If we are speaking of the headline then I accept the challenge issued by Comrade Imon Kuzmich Velizhanin. I accept your challenge, Imon Kuzmich.

But the challenge is not the point. There are interesting considerations here connected with incentives—very effective ones—in the production of potatoes. It would take a long time for me to go into the details of how I would answer Imon Kuzmich, but at any rate it is a matter here of incentives, including hard currency incentives. This is how we are operating now. At any rate, this year we will purchase a proportion of grain for hard currency and at world prices from kolkhozes and sovkhozes, small farmers, and everyone selling grain. This is to say that we have already set about this activity.

As far as potatoes are concerned, people are well aware of our measures in the spring as a result of which the acreage sown at kolkhozes and privately has not only not been reduced as a whole but has indeed been increased. I would like to recall the fact that private farms, the small farmers, and ordinary citizens have sown 2.5 million hectares with potatoes, while kolkhozes and sovkhozes have sown a little more than 1 million hectares. We do not consider therefore that there could be significant losses this year through reductions. On the contrary, we have given land to everyone capable of planting potatoes

and other vegetables, and we consider that there will be a considerable increase in both potatoes and vegetables. If Imon Kuzmich wishes to meet me, we will have an opportunity because Boris Nikolayevich and I will be in Tyumen and Tyumen Oblast from the 6th to the 9th inclusive [month not specified].

[Lapina] Here is one of the first questions. Aleksandr Sergeyevich Kartashev from Leningrad asks: There are contant rumors saying that from August the prices of cars, construction materials, and a number of other goods are going up. Does this reflect reality? This question, as usual, worries everyone.

[Silayev] I would divide the answer here into two parts. Construction materials are today within the jurisdiction, as they say, of the Russian Federation, and we do not intend to raise the price of construction materials in an organized way. Cars today are, for the moment, produced in the structure of a Union ministry, the Ministry of the Automotive and Agricultural Machinery Industry. I at least have not heard any discussion about this in the Cabinet of Ministers. As a matter of fact, I will be meeting today with Comrade Pavlov on routine matters. I will ask him this question.

[Lapina] How is the fate of enterprises at present subordinate to the Union Government envisaged Yuriy Olegovich Rapayev asks.

[Silayev] I would answer by referring to the almost finished draft Union treaty on the division of property and the functioning of enterprises, and to the program of joint actions of the Cabinet of Ministers and the governments of the Union republics. It is thus intended that the overwhelming number of enterprises on any territory of any republic will transfer to the jurisdiction of the republic, therefore to the jurisdiction of Russia. We do not intend to change one structure of administration for another. We will give them economic independence; we will support them with the appropriate economic stimuli, particularly those enterprises and organizations and individuals that will work for people, the family, on the consumer market; and we will help to a certain extent with our economic and legal laws. Enterprises will do the rest independently.

[Lapina] In connection with this is the question of which economic model you personally admire. There are many questions, and this question has been raised.

[Silayev] I am a supporter of the model which has been verified many times and has given undoubted success to the many countries which have used this model. This is an energetic transfer to market relations and all this is reflected in our program, the program called "Stabilization of the economy and the transfer to the market."

[Lapina] Can you give a forecast of the real market relation between the dollar and the ruble in three to five years. A question from Kazan, from Matleyev.

[Silayev] If I were to speak about the ratio in three to five years then it is possible to suggest that by the whole complex of our activities we will be able to guarantee the high competitive level of the ruble. And at least a ratio of around 50, one to one.

[Lapina] When will Yeltsin's decree increasing grants for students of daytime educational establishment come into force? This question was asked by Bubnov from Moscow.

[Silayev] The implementation of this decree will start next year, in 1992.

[Lapina] Here is another question from Moscow, submitted by Vitaliy Petrovich Arach. As a result of reforms carried out in the Progress, Raduga, APN and Moskovskoye Radio publishing houses, there have been 90 percent staff cutbacks of highly qualified specialists. How is the Russian Government intending to use this elite group of highly qualified specialists? But in my view, this question is very personal.

[Silayev] Well, strictly speaking, this figure is very high—90 percent cutbacks.

[Lapina] Ninety percent means that practically all publishing houses were disbanded.

[Silayev] Yes, they went too far, or something else... but in any case we deeply respect professional employees of the press, and that is why I think that their situation is not hopeless. We are ready to back up the transition of such specialists to new television and radio broadcasting services which we are setting up. And, strictly speaking, this process is already taking place. We do not have our home-bred specialists. As far as I know, those who used to worked for Union structures now work successfully in our mass media.

[Lapina] Here is another question, it would be possible to call it a highly emotional one. Will a law on RSFSR refugees finally be adopted? Will we be able to count on the fact that Russia will accept us in connection with ethnic issues?

[Silayev] Well, first of all, the law on refugees already exists. We understand these problems, and feel strongly about needs and troubles experienced by our citizens who have to move to the Russian Federation for this or that reason. Exactly for this reason we are introducing a directorate attached to the committee on ethnic issues and the committee on refugees and migrants to our structures, to the new government. This directorate will deal with problems of protecting the interests of those Russians who live beyond the boundaries of Russian territory. Russia's budget for the next year envisages serious funds which will be spent to accommodate refugees and find jobs for those who come to us.

[Lapina] There was a series of messages concerning Decree 14. Will the Council of Ministers participate in Decree 14 issued by the president? Will you comment on it, please. And some people express their desire to help

you and Yeltsin to implement it, this was written by Chernyshov from Krasnodar.

[Silayev] Well, my answer to this would be that it is the done thing to carry out laws and decrees, and therefore, if one is speaking in particular about the party organization at the RSFSR Council of Ministers—the CPSU's naturally, as there are no other party organizations at the present time—then we are certainly obliged to fulfil this law. Equally this law is in operation throughout the entire territory of the Russian Federation, and I would not begin to be so hysterical about it to the point where this law, or its author, is being accused of every kind of sin, including the infringement of rights. But if the article in the Constitution which was not adopted by us giving any political party the right to exist is being flouted, there is but one argument. Just imagine if there were 20 or 30 parties and 30 party committees. It would be simply impossible for organizations and establishments to function, and it is simply illogical and also unconstitutional to create privileges for a particular party. Therefore, the proper thing is to carry out laws, including this law. From the viewpoint of helping or not helping with implementation this indeed is not a function of the Council of Ministers. There are the relevant law-enforcement bodies which watch over the implementation of the decrees and laws and they will be engaged in this.

[Lapina] I have here the following question. Tatarstan has declared its sovereignty and is planning to sign the Union treaty like a Union republic. One should like to know what measures the RSFSR Government will take in relation to Tatarstan.

[Silayev] Well, at any rate we shall not be taking the kind of measures that in their time have been taken against other republics. We are supporters of a different line. We would like Tatarstan to be part of the Russian Federation, and we not only hope but are indeed confident that it will be part of the Russian Federation. In respect of our interrelationship and, let us say, the signing of the treaty by Tatarstan separately, well, there still are additional possibilities to talk to them, but in any event we will treat Tatarstan with respect as we shall all others, whether they be republics inside Russian or non-Russian republics. This is our principle of viewing with respect the rights of all peoples.

[Lapina] Here ia a question from Nizhnyy Novgorod. Petor Yakovlevich Sverdov asks: many statements have been published in the press by citizens, especially by pensioners, who wrote with indignation about the significant rise in the prices of medicine at the chemists. And all of this was on the orders of the RSFSR Ministry of Health. What does the RSFSR Government intend to do in this sphere, on the reduction of prices, that is?

[Silayev] Yes, I unfortunately came to know about this quite recently. I had a very serious conversation with the minister of health. We, I will speak bluntly, did not sanction these actions of his although it is possible that he had some difficulties. We intend to become involved in this matter. In any case we are not satisfied with these actions of this minister. For this reason we are discussing in particular, in addition to this specific case today, other issues as well, major ones on which work has not been completed, alongside the appointment or continuation of the office of this minister or the appointment of a new minister. In any case we will make additional investigations and will take definite measures.

[Lapina] A question from Krasnodar, from Valentina Fedorovna Terekova. There are rumors that subsidies amounting to R60 will be withdrawn in Krasnodar Kray in the near future, saying they are in the Kuban—as it were—and people are living well enough anyway. It this true?

[Silayev] These are definitely rumors. No one could put it like that, that people are living well in the Kuban anyway. There cannot be a principle like that. It is another matter that in accordance with a decision by the Union Government, during the second half, this increase, this subsidy should go to enterprises, mainly in wages, this increase will continue to be paid to all the other let us say, budgetary structures and non-working citizens in kind.

[Lapina] There is this question as well: work in cooperatives. Primarily the disabled, pensioners, people without families, and mothers work there. Are there any discounts or privileges in the payment of taxes?

[Silayev] There is a certain proposal on privileges and discounts for specific people who suffer from some kind of ailments or who have already, as it were, done their time, are pensioners but continue to work. For this reason it is necessary to proceed here along the lines of discounts or increases or privileges for specific categories of people and not for cooperatives as a whole.

[Lapina] The privatization of state accommodation is under way. I built myself a cooperative apartment, at my own expense. Where is my share of the social fund spent on the construction of state accommodation? This is a question from Saratov, from Boris Aleksandrovich Chelbysh.

[Silayev] Well, first of all, he should speak with the local bodies there, where he lives, in Saratov. But in general if he built his own apartment from approved means, then this living space is his own property. He will not have to pay a second time for this apartment.

[Lapina] Here is another series of notes, and here one doesn't have to be a particular sociologist to guess in advance a lot of questions about privatization. Naturally, this question is not missed by our television viewers. And many are concerned about whether state enterprises and so on will not go begging in connection with privatization.

[Silayev] Yes. Well, first of all, I would like to say that I think that in the very near future, in accordance with the

law already adopted, we will issue a number of decisions and instructions explaining and assisting in sorting out and also assisting in implementing our rights. I would like, esteemed citizens, Russians, naturally, primarily, to ask you not to worry. If one attentively reads the laws, they protect the workers of enterprises and their rights. They also protect those who work in other spheres—teachers, medics, cultural and art workers, pensioners, little children. Thus, it is not a question of taking away and reselling to some kind of predator, as it seems to some.

Preference, first, goes to the labor collective. A certain number of shares are left to them. They are given benefits, payment by installments with discounts. Therefore, there is unconditional priority. But, at the same time, so that every citizen of Russia does not take offense—after all, not everyone has the opportunity to work for an enterprise. What does the teacher who teaches the children of the employees of this enterprise? This is also some sort of contribution from him. Therefore, every citizen of Russia will receive, as it is called, a cheque with his name on it, well, it is called a savings book in law.

[Lapina] A kind of share.

[Silayev] Yes, a kind of share, which is not bought or sold, but which is given to him just to buy the shares of this or that enterprise.

[Lapina] Nonetheless, I would like to clarify something—people capable of working, with common sense, a skill, with intelligence should not of course be afraid of privatization. But here there is a nuance. People have not only forgotten how to work, they have been broken from working. And this is already some kind of other moral category. Not something to be blamed for but a misfortune.

[Silayev] I would, you know, I agree with you. I would divide all of us into two categories. Those who are in a normal physical and mental state. For them, naturally, as we say, the main thing is that success lies in their own hands. But we have a large stratum of the population which is still not working and is not working already and simply cannot work. The law has concerned itself with them by issuing them with a cheque with their name on it which they can use either to buy an apartment or to buy land or to invest them and buy the shares of this or that enterprise. As far as mature people capable or work are concerned, then naturally their destiny is in their hands.

[Lapina] Ivan Stepanovich, have you personally promised yourself that you will see a revived Russia, a fitting and civilian power [derzhava]—that is such a good Russian word, within you lifetime?

[Silayev] Well, you see, it would probably be insincere if I said that, having just been born, in diapers, my first squeak was that I would revive Russia! Of course, this did not happen. But, I have lived all my life in Russia, I would say in its most bankrupt and deprived part, in Nizhniyy Novgorod Oblast, in the countryside, in a village. I have seen how the peasants suffer and how the inhabitants suffer, and I have suffered with them. And when the opportunity, the chance, arose, nonetheless, to do a useful job and to help Russia, I did this with no hesitation and I thank our people's deputies who have put their trust in me a second time, and I will justify this trust without fail.

[Lapina] Well, here is a specific question already, from Lipetsk Oblast. The village soviet refuses to allot land requested for personal use. What steps should we take? Incidentally, there are quite a few questions about the breach of some decisions adopted by the Council of Ministers

[Silayev] Yes, unfortunately there are a great many messages. And, incidentally, I must say that the state of affairs in the oblast depends on the stance of the leaders of the oblast. If they support, if they respect, the laws adopted, then very interesting and intensive work proceeds. I could adduce the examples of several oblasts which I have already visited, including Saratov Oblast where we have just been. We arrived and there are already approximately 1,000 private farms, and there the leadership and the oblast and the rayons are actively helping in this. But when the leaders are in opposition, as it were, and if they don't hinder, then they do nothing, this is also bad, this is also in its way a breach of the law. Such phenomena are appearing. Thus, to further intensify our effect, we have also decided to have in the government a committee for private farms which, after land has been allotted, will deal with numerous peasant and farmers's matters. But now it will simply be necessary for our legal bodies to more actively strive for the implementation of the law.

[Lapina] In this connection I am passing you a telegram from the collective of the Syamzhenskiy timber-felling combine who also came across violations in implementing a specific decree by the RSFSR Council of Ministers. I think it is worth looking at this in detail.

[Silayev] Yes, the letter is very long so I will read it. But I would like to ask Comrade Kuznetsov, director of the Syamzhenskiy combine, Shamparov from the strike committee, and Petukhov from the trade union committee who are also here, I would like to ask you, I will take this message and I am ready to meet with you and look into it.

[Lapina] Comrade Kornicheyev from Orel asks why the 5 percent sales tax is still levied on goods sold in shops.

[Silayev] If these goods are in mass production, that is main goods which are items of everyday use, then this is not right. Today the 5 percent sales tax is levied only on luxury items and delicacies which are not items of permanent use. Everything else is exempt from the 5 percent sales tax.

[Lapina] So, here is another violation.

[Silayev] We shall see. I will instruct the Minister of Trade to look into what is going on in Orel.

[Lapina] We are receiving too many questions. We will not be able, of course, to answer all of them on the air. I will give them to you but while we still have three minutes I would like to hear the credo of the head of the Government of Russia. The shortage of time encourages brevity. So, what is the most important thing now, where to start and where is a thread to pull to start unwinding the tangle?

[Silayev] Well, the most important thing for the government personally, let us say, is for the government to be formed. And to start and continue working in a new way. But the most important what we have here is to solve problems which worry every citizen and every Russian and what will be the main thing in our activity—this is a constant movement on implementing a radical economic reform which is directed at a consumer market. Every day we will turn all our economy and our enterprises, including defense ones, more and more towards working for a family so they produce must various goods. We will support and we continue to support collective farms and state farms which are working quite successfully today and are being transformed into people's enterprises. We will support farmers in order to solve an immediate task, naturally—that is to give enough foodstuffs to our population, and this is the most important direction. Here there will be, let us say, internal work within the framework of the reform and also further freedom for the peasants.

But, we, nonetheless, will be attracting both foreign investments and certain credits first and foremost, so that our Russian people begins to experience some kind of improvements. Some kind to begin with. Next year I think that we will already manage to make not some kind, but confident steps and upturns in our economy. We have no other tasks except reviving Russia, both at the spiritual level and at the level of developing the economy and at the level of resolving social issues. Now under the leadership of the president we will work at primarily implementing adopted laws more decisively and confidently, striving to implement them everywhere and in all categories and adopting new laws and decisions and implementing them in precisely the interests of Russia's social developments.

Pays Visit to Saratov

LD2707095291 Moscow Radio Rossii Network in Russian 1300 GMT 26 Jul 91

[Report by correspondent Nikolay Artemyev]

[Excerpts] Ivan Silayev, Russian Soviet Federated Socialist Republic [RSFSR] prime minister, made a working trip to Saratov Oblast yesterday. He visited the drought-affected rayons of Novouzenskiy, Piterskiy, and Krasnokutskiy. The prime minister was accompanied on his trip by Gennadiy Kulik, RSFSR minister of agriculture; (Viktor Khlystun), chairman of the Committee for Land Reform; Aleksandr Khlystov, RSFSR minister of trade; other officials, and also a group of journalists from Russian radio, television and newspapers. At Saratov Airport Ivan Silayev told journalists:

[Begin Silayev recording] This is a rich grain area but it has been affected by drought, so it is very important for us to see on the spot how things really are. You know that we have issued a number of documents, including some signed by the president and myself, on support measures and on ensuring all the measures regarding all the areas hit by drought. Unfortunately, there are quite a few of those. Apart from a part of the Volga region, they include the Urals and western Siberia. We also have regions where flooding has taken place, Novgorod and Pskov Oblasts and, partially, Kirov Oblast. So we would like to check on the spot together with oblast leaders, to meet with leaders of farms, with farmers, and to check whether everything has been taken into account in our directives, the way they are being implemented, what else should be taken into account, and also to meet with oblast scientists, to listen to them and to exchange views on what additional measures should be adopted in order to alleviate the blow of nature and to try to reduce losses to a minimum. [end recording]

Then Ivan Stepanovich Silayev and his entourage flew to Novouzensk. The RSFSR prime minister visited farms and fields, talked to leaders and specialists, mechanics and farmers.

[Begin recording] [passage omitted] [Silayev] The amount of cows has not increased here during the first half year. But it has not decreased either.

[Unidentified speaker] We have 148,000 cows.

[Silayev] You are growing fat pigs here. [passage indistinct as several people speak at once]

[Speaker] I have already ordered 55 heifers starting from the new year.

[Silayev] So, you see, the population asks for them.

[Speaker] Yes, the population asks for them. Those who never had any, even those who lived in the city, city people. [passage indistinct]

[Another speaker] We had approximately 30 application forms from kolkhozniks.

[Silayev] Will you be able to comply with their requests? Will they pay with milk?

[Speaker] We buy milk.

[Another speaker] No, some people do it this way, they do not accept the money....

[Silayev, interrupting] Let him tell us what exactly he is doing.

[Speaker] Our population hands milk over with pleasure. We collect approximately five to six centners from a settlement a day. However, all methods are purely voluntary.

[Silayev] And what is the price?

[Speaker] Fifty kopeks.

[Silayev] And how much do you sell it for?

[Speaker] Seventy-two kopeks.

[Silayev] So you use the difference for organizational expenses?

[Speaker] Yes, but for each liter I give them a coupon for [words indistinct as people shout]. [passage omitted] [end recording]

On his return to Moscow, aboard the aircraft, Ivan Stepanovich Silayev was interviewed by Radio Rossii:

[Begin recording] [Artemyev] Ivan Stepanovich, you have visited the drought-stricken rayons, and now we would like to hear what you think about the situation.

[Silayev] Speaking about the situation, you gain the impression that nature is continuing with its dark deeds and the damage done here this year is quite serious, quite serious. I have mentioned already more than once that I was born in a village and know what rye or wheat ears look like, but I have never seen them look like that. Yields very. There are wheat ears, albeit small ones, but the main thing about them is that they have no kernels, either one or two, or none at all. And also they are a dwarfish height. They are not fit even to be used as straw. So, the damage is very serious. Briefly speaking, the spring crops—there are very many of them—are in such conditons that there is practically no yield.

[Artemyev] The harvest has perished.

[Silayev] Yes, it has. To such an extent that more grain was used as seeds than the amount to be reaped. Such a situation, of course, does not happen everywhere. This is true only for the areas where there are no irrigated lands. In addition, in three days the thirsty wind has dried up the grain, so a number of farms and farmers who are in this area should be given assistance.

Consequently, we will have to lift the tax in kind entirely in some areas or reduce it in others. Therefore we will have to review everything together with the oblast and to adopt a decision. Incidentally, not only Saratov Oblast but a number of other oblasts have been affected, too, such as the Volga region, south Urals, and western Siberia. So now we have a true picture of what the situation is like.

That is the first thing. Second, the thought occurs to me: Proceedng from the fact that in Saratov Oblast they have one good year in four years, rarely two in four years—but, nevertheless, they have the crops of not more than five to six centers in the period of 10-12 years in certain rayons of the oblast—the question arises: What is the point of doing it? We must have a look at the structure of agriculture on the whole, and maybe we should not grow spring wheat in those rayons. Maybe we will have to use the fields for other types of feed crops. After all, sheep-breeding is now developing rather vigorously, especially in the private sector. And this means wool, meat, chrome leather, footwear, and all the rest.

This is the logic of economic thinking. If there are systematic failures of crops, then we have to turn to such a direction where it least affects the economy and where we won't even feel it. Having sold and converted raw materials to meat and vegetables, and then having exported some things, we will then be able to buy the necessary amount of grain. After all, we were always saying it's a bad year for the crops, the state won't get enough, and there won't be any bread in the shops. Bread will be in the shops.

What is happening to the economy of kolkhozes and sovkhoves, farmers? We were looking into it. I mean that one of the Kolkhozes—this is where we obtained this information, had 2.5 million rubles [R] profit last year, this year it will have 100,000. Another collective situated in another rayon had less profit, but they were saying it will hardly be possible to keep it at the same level. In the best possible case they will come out even. Consequently it will be able to invest nothing in developing, expanding, or purchasing technology. So we have to help the peasant wherever he works, in the state sector, cooperative or private sectors; we have to explain to him the way he should organize his economy in Saratov Oblast so that it will be profitable for him, taking into account the current conditions.

Of course, these are emergency measures and we will take them; unfortunately, we have to. Last year we were going to purchase 15 million tonnes and we purchased some, but this year we will have to buy more. We also had meetings with local scientists, and when we get back to Moscow we will have to sort things out with our academy. It appears we have to change our overall aproaches to agriculture. We must not proceed only from state needs when tax in kind and food orders are set, regardless of whether crops are good in a given area. On the contrary, we must look at the final result, at what is more important for the state and more convenient for the oblast in terms of grain, meat, and so forth. Then the picture will be different, Meat, milk, or grain will be produced in such areas where performance is the best. The performance of farming should necessarily be evaluated.

We had little time, but we have heard many interesting thoughts. For example, we learned that each year (?6 million) cubic meters of water are pumped over from Saratov Oblast into neighboring Kazakhstan. Thus there is shortage of water in Saratov Oblast itself. The irrigation system has enough capacity for increasing its performance. Maybe not the entire 180 million, but they say that they could do with some of it. But when we started

sorting things out.... [Silayev changes thought] Water is being pumped over without any kind of compensation, free of charge, while a whole army of land improvers is working here. Equipment maintenance has to be carried out here, it costs... main assets [sentence as heard]. At the same time it will be a subject for our discussion with Kazakhstan on the conclusion of an economic agreement. [end recording]

The RSFSR prime minister said that in the near future the government will draft appropriate proposals on measures for helping the drought-stricken regions and will submit them to the RSFSR president and the Supreme Soviet.

Yeltsin Meets With Greek Premier Mitsotakis

Many Problems Discussed

PM2607130991 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 91 p 1

[Yelizaveta Leontyeva report: "Talks: Russia and Greece Ready for Closer Cooperation"]

[Text] Yesterday, RSFSR [Russian Soviet Federated Socialist Republic] President B.N. Yeltsin held talks with Greek Prime Minister K. Mitsotakis in the Kremlin.

They had an open and friendly discussion on difficult problems of the day. The Greek delegation showed interest in the same things which concern us today.

On the Union treaty. Is it ready, and when will it be signed? B.N. Yeltsin said that work on the treaty had gone on until after midnight the night before the meeting. It merely remained to reach agreement on a small section of it, which, the president believes, will happen in the near future. The treaty is open so that other republics who are not party to the Novo-Ogarevo process might accede to it. Yeltsin suggested that it is possible that ultimately Moldova and Armenia will accede to the treaty.

The Baltic Republics are not joining the political union, but Russia has already concluded bilateral treaties with them which will mean that a single economic space can be preserved.

On Reforms K. Mitsotakis was interested to know if the Russian Federation favors the speedy implementation of reforms. He said that in his country the conclusion has been reached that reforms must be introduced quickly lest the people lose their patience. B.N. Yeltsin confirmed that the Russian leadership was inclined toward the swift implementation of reforms. They would be introduced as quickly as could be borne by a society which has already suffered the Pavlovian price hikes and is now experiencing a new round of inflation. This is why the people must perceive changes next year—otherwise it is impossible. The RSFSR Supreme Soviet has already adopted 350 laws aimed at radically renewing all spheres of our life.

The prime minister smiled: "It is easier to adopt laws than to implement them."

The president remarked: "In our country, it is also difficult to adopt them."

On the Land Laws Package. How is the process for transferring land to private ownership progressing? K. Mitsotakis was very interested in this question. One felt that for him this represents an important indicator of the changes under way in our country.

"So far, there are still very few private farms—just 25,000," Yeltsin replied "But there is a waiting line for land, and if there was less opposition from the party-administrative structures in the localities the matter would progress far faster."

On Departyization. This topic was also raised during the talks. K. Mitsotakis understood the passions which had flared up around the second presidential decree. Yeltsin explained that this decree is in no way a new round of confrontation between himself and Gorbachev. Neither is the decree in itself linked with any personal antipathies. The departyization question has long been urgent. The decree is directly linked with the course of reforms in the republic. Anybody failing to execute it will be answerable for this in accordance with Russian laws.

On the Development of Cooperation between Russia and Greece. B.N. Yeltsin asked a direct question: Why have relations between us started to contract?

K. Mitsotakis answered: "We are ready to cooperate with the Union and the republics. You know, things are not totally in order in our state either, but we are ready to begin work on establishing the closest possible contacts. We are ready to develop relations in the sphere of the economy, science, culture.... In doing this, we will rely mainly on private initiative."

"We, too, are ready," B.N. Yeltsin confirmed. "The more so as a Law on Protecting Foreign Investments has been adopted. For example, Russia can benefit from Greece's experience in processing and storing agricultural produce, as well as in the production of children's food. Here, all forms of participation are welcome."

On the RSFSR President's Visit to Greece. First, as early as September, appropriate agreements will be prepared at a meeting at foreign minister level. Then, in December, B.N. Yeltsin will travel to Athens, where the agreements will be signed.

'Businesslike Atmosphere' Cited

PM2607134991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 25 Jul 91 p 3

[A. Platkovskiy report: "Russian President Meets With Greek Prime Minister in New Office"]

[Text] Boris Yeltsin has received Greek Premier Konstandinos Mitsotakis in his Kremlin office, which was decorated with the RSFSR [Russian Soviet Federated Socialist Republic] flag. There are three steel hooks on the walls, which are covered in a once-silvery but now faded fabric. Until recently these hooks had borne an important ideological burden: The portraits of famous historical figures had hung there. There are probably no other remarkable details in the modestly decorated office. The occupant, in a stylish electric-blue suit, was as composed and energetic as ever, despite the fact that—as journalists learned from Rafik Nishanov, who unexpectedly appeared in the Kremlin's corridors—"Boris Nikolayevich was working fruitfully until 0200 at Novo-Ogarevo."

The talks with the Greek guest were held in a businesslike atmosphere. The president told the journalists that the Greek prime minister agreed with his opinion of the need to travel faster down the path of reform in order to get the country out of crisis. Specific questions of cooperation were discussed, as was the agreement between Russia and Greece which is due to be signed in Athens this fall.

Answering other questions, Yeltsin noted that even after the departyization decree, his relations with Gorbachev have not undergone any changes and are still characterized by a desire for collaboration. Yeltsin also stated that the decree does not contradict the Constitution at all. Its implementation will be monitored, but this does not mean that there is a specific date before which "the premises must be cleared." "We understand all the problems and difficulties, including those connected with job placements for workers in the apparatus," Yeltsin said. The main task as of today is to sign the Union treaty as soon as possible, Yeltsin stressed. The president called "The Address to the People" published in SOVETSKAYA ROSSIYA "Yaroslavna's lament."

Decree on Departyization Explained and Reviewed

Yeltsin Statement Issued

LD2707173391 Moscow TASS International Service in Russian 1609 GMT 27 Jul 91

[Text] Moscow, 27 Jul (TASS)—Today the Information Department of the Russian Soviet Federated Socialist Republic [RSFSR] Council of Ministers distributed an official explanation in connection with the decree by Russian President Boris Yeltsin on removing party influence. It says:

"In connection with the incoming inquiries and the appearance in the mass media of various comments on particular provisions of the RSFSR President's Decree No. 14 of 20 July 1991 'On the cessation of activities of organizational structures of political parties and mass public movements in RSFSR state bodies, institutions, and organizations' the Service of the RSFSR State Counsellor for Legal Policy and the RSFSR Justice Ministry is authorized to explain:

"1. The RSFSR president's decree is issued in pursuance of the RSFSR Constitution and fully conforms with the constitutional norms and the laws of the USSR and RSFSR on citizens' political rights, and with the international pact on civil and political rights. The RSFSR president's decree, by banning the activities of organizational structures of political parties and mass sociopolitical movements in RSFSR state bodies, institutions, and organizations, ensures equal rights for various public associations in the administration of state affairs and widens the guarantees of the implementation of the citizens' political rights.

"2. The RSFSR president's decree does not affect the legal basis of trade union activity and does not change the legislative acts which regulate this activity.

"3. The RSFSR president's decree is effective only with respect to the organizational structures of political parties and mass public movements pursuing political objectives. The decree does not affect the organizational structures of other public associations, including womens', veterans', youth, scientific and technical, cultural and educational, and other voluntary associations of citizens.

"4. The RSFSR president's decree does not repeal acts adopted by state bodies together with bodies of political parties and mass sociopolitical movements, but requires their review and the subsequent repeal of those that establish privileged conditions of activity for one political party by comparison with others.

"5. The RSFSR president's decree is not directed at aggravating the public situation in the republic. The state bodies that control the implementation of the RSFSR president's decree have been instructed to stop any attempts to use unlawful violent methods in the course of its realization."

IZVESTIYA Views Decree

PM2607141191 Moscow IZVESTIYA in Russian 25 Jul 91 Union Edition p 4

[Unattributed roundup: "Departyization: For And Against"]

[Excerpt] [passage omitted] **Vladimir Isakov Believes that the Decree on Departyization Could Do Society Irreparable Harm**

Vladimir Isakov, chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Soviet of the republic, believes that departyization is essential, but "it must take place from below." The

RSFSR president's decree will entail a major breakup of CPSU party structures and that could do society irreparable harm. Isakov said this at a meeting with voters in Sverdlovsk, POSTFAKTUM reports. Isakov is one of the authors of the well-known "statement by the six" criticizing Boris Yeltsin. At the same meeting he said: "The talk about the Congress of RSFSR People's Deputies being bankrupt and reactionary is downright political hypocrisy and an attempt by certain deputies to relieve the new presidential power of the counterweight of legislative power. If that were to happen no one would be able to oppose a wrong opinion on the part of the president."

Nikolay Travkin On Yeltsin's Decree

Nikolay Travkin, chairman of the DPR [Democratic Party of Russia], speaking at a meeting of DPR Moscow city organization activists on 23 July, called Boris Yeltsin's decree on departyization an alignment of starting positions for all parties. In his opinion, the majority of Communists will stop being registered in their local areas. "The reaction of the Moscow CPSU City Committee, in calling the decree a violation of the Constitution, was entirely predictable," Travkin said. A statement was adopted at the session in support of Yeltsin's decree on departyization, RIA reports.

Gavriil Popov Promises To Conduct Departyization Unswervingly

Asked by an RIA correspondent how RSFSR President Boris Yeltsin's decree on the departyization of Russian state organs, organizations, and institutions would be implemented in Moscow, Gavriil Popov, mayor of Moscow, replied: "Unswervingly." To that end, he said, a commission is being set up to prepare for the implementation of the decree in the actual structure of organs of power, in the various organs formed by the Moscow City Soviet, and at enterprises, stores, and so on under Moscow City Soviet jurisdiction.

Different Approaches to the Russian President's Decree

"The members of the Kamchatka Oblast Soviet presidium reacted calmly and responsibly to the Russian president's decree on departyization," Soviet Deputy Chairman Albert Usov told an RIA correspondent. "Personally, I regard it as a step toward the normalization of state management and a separation of ideology from economic and business activity." Soviet chairman Petr Premyak has already made a proposal to the secretary of the Russian Communist Party [RCP] party committee in the Soviet and its executive committee that the party organization should cease to function. Party committee Secretary Vladimir Baylyuchenko announced that all 120 members of the RCP working in the Soviet would be registered in their local areas.

A different assessment of the president's decree was provided by Mikhail Moskovtsev, secretary of Petropavlovsk CPSU City Committee. He said that the decree is a blow to labor collectives, since "only party organizations at enterprises can protect working people against the extortionate Law on Privatization." "The decree will only be implemented if the USSR Constitutional Oversight Committee and Congress of Russian People's Deputies confirms that it is lawful," the city committee secretary stressed.

Committee Scrutinizes Decree

LD2807122591 Moscow TASS in English 1212 GMT 28 Jul 91

[Text] Moscow July 28 TASS—The USSR Constitutional Compliance Committee has discussed proposals from the USSR parliament chairman, and the Soviet parliament's committee on glasnost, rights and citizens' applications to give a legal evaluation of the Russian president's decree, dated July 20, 1991, "On the termination of the activities of the organisational structures of political parties and mass social movements in state agencies, institutions and organisations in the Russian Federation", says the compliance committee's official communique circulated here.

In accordance with the law-established procedure, a conclusion on the issue can be drawn after the study of the issue and after the distribution of a draft. The procedure and timeframe for the preparation of a draft is regulated by the committee's statute.

The committee also decided to request the president of the Russian Federation to postpone the enactment of the above-mentioned decree for the period the decree is under consideration in the committee.

Committee Urges Suspending Decree

OW2907044191 Moscow INTERFAX in English 1230 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] The USSR committee on compliance with the constitution decided to request Russia's President Boris Yeltsin to suspend his decree on disbanding party cells at plants and offices till the committee considers it, said the committee's chairman Sergey Alekseyev. He hopes, he told reporters in Moscow on Saturday, that B. Yeltsin will display "good will and undersanding of the political situation" in connection with this issue.

According to Alekseyev, his committee began to consider the Russian President's decree on depoliticizing government institutioins, offices and organizations in Russia only on Saturday the 27th.

Under existing laws his committee, Alekseyev said, has no right to voice its views on an issue before it considers it thoroughly. Consideration will be accompanied by public hearings attended by newsmen, he said.

His committee, said Alekseyev, intends to consider the decree with no loss of time. As he told IF's [INTRFAX]

correspondnet, the committee is likely to take its decision on the issue before September.

The committee, Alekseyev told newsmen, has to consider similar acts on departyization in Moldova, in the Baltic region and in the system of Russia's law-enforcing agencies. Even though his committee is not empowerd to take decisions on republican legislation, it's in its competence to consider such issues because they bear on human rights.

Alekseyev said he hopes that an important legal decision will be worked out during considering the decree on departyization. To carry out departyization it's desirable to have legal base in the form of a law on political parties, Alekseyev pointed out. The USSR committee on compliance with the constitution will probably come out with such legislative initiative, he added.

Yeltsin Adviser Defends Decree

OW2907080091 Moscow INTERFAX in English 1500 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] In an interview with IF [INTERFAX] shortly after the Russian President's decree on departification had been submitted to the USSR Constitutional Supervision Committee for consideration, the State Adviser to the Russian President for legal issues Sergey Shakhray said that the consideration is unlawful. Mr. Shakhray reminded that "when the USSR Supreme Soviet was discussing and passing the law on the Constitutional Supervision Committee, republics did not give it the right to consider their own decrees except in case they infringe upon human rights."

Sergey Shakhray says the presidential decree on departification not only does not infringe upon human rights but in some aspects even expands them. For example, now there will be no article about party membership in documents so that everybody will have equal opportunities to land a job, etc.

Sergey Shakhray also pointed out that the decree does not ban any form of party activities, including that in labor staffs during non-working time. He believes all parties, including the CPSU, "should carry out their programs through their members, not through the structures which monopolized power."

In the words of Sergey Shakhray, the fact that "the CPSU virtually opposing the people continues to run the country", not the Russian President's decree is unconstitutional.

Communist Party Issues Statement on CPSU Charter

LD2607163191 Moscow TASS in English 1446 GMT 26 Jul 91

[Text] Moscow July 26 TASS—"The presence of various movements and platforms within the Soviet Communist Party is natural in conditions of democratising the internal life of the party and Soviet society as a whole," says a statement by the Politburo of the Central Committee and the Presidia of the Central Control Commission of the Russian Communist Party, circulated here today."

"The CPSU Charter does not allow the establishment of factions with their own internal discipline since such actions undermine the unity of the party and hinder attainment of its programme objectives," the statement reads.

At present, it says, "this threat is becoming increasingly tangible." The demarcation of party forces and the aggravation of inner party struggle are under way.

"Artificial detachment of the Russian Federation's Communist Party from democratic process may have grave consequences, stall or frustrate the renewal of society," it points out.

It is the duty of Russian Communists to prevent the formation inside Party organisations of structures that would start performing the role of its own opposition, the statement says.

Lithuania, Russia To Sign Treaty 29 Jul

LD2807133691 Moscow TASS in English 1330 GMT 28 Jul 91

[By TASS correspondents Alexandras Budris and Boris Zverev]

[Text] Moscow July 28 TASS—On Monday, July 29, President Boris Yeltsin of the Russian Federation and President Vytautas Landsbergis of the Lithuanian parliament will sign a treaty regulating relations between the two republics.

A spokesman at the Lithuanian permament mission in Moscow told TASS today that Yeltsin and Landsbergis will also sign other documents, such as, in particular, an agreement on Kaliningrad region (an area which is administratively part of Russia but is separated from it by Lithianian territory), and a protocol on the setting up of a permanent mission of Lithuania in the Russian Federation and that of Russia in the Lithianian republic.

Russian and Lithuanian experts have been working throughout the past week on finally coordinating the draft documents. A widely-representative Lithuanian delegation led by Ceslovas Stankevicius visited Moscow recently for this purpose.

After a preliminary meeting on July 18, Yeltsin and Landsbergis expressed an opinion that a Russo-Lithuanian treaty would become an important factor in talks between Lithuania and the USSR.

Budget Official Details 'Huge, Huge' Debt

LD2607165291 Moscow Russian Television Network in Russian 1545 GMT 25 Jul 91

[Interview with A.P. Pochinok, deputy chairman of the Russian Soviet Federated Socialist Republic Commission for Budget, Plans, Taxes, and Prices, by correspondent Zbronzhko in Moscow on 25 July; from the "Russian Parliamentary Herald" program—recorded]

[Excerpt] [passage omitted] [Zbronzhko] Let's take a rather more detailed look at the position in which our budget finds itself as of today.

[Pochinok] Russia's state debt is in the region of R100 billion. The Union's debt is 800. Compared with the Union, things are still fine, although, in fact, there is nothing in the budget. Since 2 April alone, if one counts those measures that were taken to stabilize the situation—social protection, payment of compensation, which had to be done because the population's standard of living had declined sharply—that is an extra R67.8 billion plus the R14 billion that was paid directly on 2 April, and you see that that comes to over R80 billion. Now it will be necessary to borrow vast sums from the Central Bank. We have already borrowed from the Central Bank. Do you remember? When the agricultural debts were written off, there was a tremendous loan then. Now, more will have to be borrowed, and all of Russia's emergency budget comprises huge, vast debts to the Central Bank and everywhere else that was possible. We have a big deficit in the pension fund, several billion rubles. The insurance funds have been devastated on the territory of Russia. Why have we now not submitted an emergency budget for discussion by the Supreme Soviet? Why is the work continuing? Because we must have a good think, first, about how such debts will be financed and, second, about whether such a budget would be passed. For the time being, the budget is one huge, huge debt. [passage omitted]

Political Events Noted Despite Economic Decline

PM2607120791 Moscow SOVETSKAYA ROSSIYA in Russian 26 Jul 91 Single Edition p 1

[TASS report: "No Visible Improvement"]

[Text] The last six months have brought no improvement in Russia's socioeconomic position. This is the conclusion of the RSFSR [Russian Soviet Federated Socialist Republic] Committee for Statistics in summing up the results of the republic's development in the period from January-June.

Here are a few figures from the Russian statistics. National income in comparison with the first six months of last year was down 9 percent, and the volume of industrial production was down 3.5 percent. The output of consumer goods was down 2 percent and of food products down 7 percent. A total of 286,000 apartments were commissioned from all sources of finance, but this was 21 percent less than in the January-June period last year. Fewer social amenities facilities were commissioned as well. The miners' strikes and weakening economic relations caused serious losses to the economy.

The April price increases for goods and services reduced living standards for most of the population. People found the steep price increases (150-200 percent) for basic goods—food products and clothing—particularly painful. Although the earnings of workers and employees increased, the price increases canceled this out. Real pay compared to June of last year fell by 12 percent. The population's additional expenses owing to price increases came to 59.6 billion rubles [R]. There was no stabilization of the commodities market.

The negative consequences of the pricing reform were compounded by the fact that it was carried out during a fall in production in some sectors of the national economy, the restriction of export opportunities because of a fall in the extraction of fuel-energy resources, and a sharp reduction in import deliveries of production capital and consumer items.

As the Russian State Committee for Statistics report notes, major political events did take place in the RSFSR in the six-month period: The nationwide election of the first Russian president was held on a democratic basis, and a number of important laws were adopted by the Congresses of People's Deputies and the republic Supreme Soviet, creating a legal basis for transferring social production to market relations, at the same time ensuring the social protection of the population.

Voters Campaign for Recall of Deputy Baburin

PM2907100391 Moscow SOVETSKAYA ROSSIYA in Russian 25 Jul 91 First Edition p 2

[Nonstaff correspondent N. Sorokina report: "Persecution Race Is Being Continued by 'Democrats' Who Organized Campaign To Recall People's Deputy Sergey Baburin"]

[Text] Omsk—It can be said without exaggeration that Omsk's "Khimik" Palace of Culture is the unassailable bastion of the local voters' club. It was from here last time that the orators of "democratism" bombarded the commanding heights and the people ascending them. So RSFSR [Russian Soviet Federated Socialist Republic] People's Deputy S. Baburin had become known throughout the country and furthermore had dared to express his own opinions. And he also felt the urge to seek the high office of president of the RSFSR Supreme Soviet!

This time his opponents again decided to "cook something up" at the "Khimik." The meeting was the finale of a long marathon, or rather of a race to persecute a dissident deputy.

The longer the meeting went on, the more outrageously those present behaved themselves, stooping to common

hooliganism. The unanimous "pluralists" had no wish to decide a complex and delicate question calmly and carefully. And I formed the impression that people assembled here only in order to angrily vent their irritation at their difficult day. This was surely the reason why the situation got out of hand and why it even became necessary to summon the volunteer people's militia to the balcony.

The role of first fiddle in this "democratic action" was played by democrat Deputy S. Nosov. But what did the deputy, revered by his Omsk sycophants, laying down the law about? About the fact that Sergey Nikolayevich Baburin is a "mighty danger to Russia" and that the voters have made a mistake by giving him their votes. Now it must be corrected, because he has a powerful force behind him in the shape of the whole partyocracy.... And he said this about a man who, by the way, has never worked in a single party organ.

Without embarrassment someone else said of the respected deputy: Baburin must on no account be given the post of chairman. He is only a young lad who has gotten a bit too big for his boots, overstepped the mark, and made his way in the world from the provinces and decided to carve out a career. The guy must be put straight and put in his place. And he gave his "diagnosis" of RSFSR People's Deputy Baburin: "star sickness." And he must be "cured" by people who do not like him. By what methods?

These were unambiguously revealed by one of the notes sent from the audience: "...We will hang you all the same."

...It was decided at the conference to set up an action committee for the recall of RSFSR People's Deputy Baburin. A section of the audience walked out the hall.

Ukraine

Chairman Kravchuk Views Union, Future

LD2607173391 Kiev Radio Kiev International Service in Ukrainian 1900 GMT 24 Jul 91

[Interview with Ukrainian Supreme Soviet Chairman Leonid Kravchuk by reporter Volodymyr Kartashevskyy in Kravchuk's office in Kiev; date not given—recorded]

[Excerpts] For over two hours I talked with Leonid Kravchuk in his quiet and spacious office. The 57-year-old head of the Ukrainian parliament noted that the adoption of the Declaration on Ukrainian State Sovereignty is the most significant achievement since 1990. [passage omitted] What does Leonid Kravchuk regard as his own achievement since he was elected chairman of the Supreme Soviet? [passage omitted]

[Kravchuk] We have succeeded in preventing confrontation which, against the background of the most acute problems, such as strikes, could turn into civil war.

[Kartashevskyy] Things could have developed as they did in other republics. Indeed, we faced extremely complex situations such as strikes, a hunger strike by students, and interethnic conflicts. The Ukraine is a state on a European scale; it is a multinational state.

[Kravchuk] How true. Our Russian population is 12 million. Some people are trying very hard to play the Russian card in the Ukraine. These are the forces that do not want calm to reign in the republic. They always drop hints that in the Ukraine and other regions the main reason for confrontation will come from the Russian population. I think that this is a serious mistake. This in no way applies to the Ukraine. Russians have been living on our land for over 300 years. They are one on our soil. They did not come here in the recent periods of industrialization, as was the case in other regions. The majority of Russians here are considered part of the indigenous population, with the exception of some in western oblasts. They feel quite differently from those who make predictions. They regard this land as their own. [passage omitted] The Russian population will not become a confrontational factor for Ukrainians. [passage omitted]

[Kartashevskyy] What actions in the past year do you regard as failures?

[Kravchuk] [passage omitted] Seized by political struggle, we overlooked economic problems. We had to adopt the anticrisis program much earlier. We should have tackled this problem in January instead of June. Second, we left out of the parliament's business cultural matters. By this I mean culture on a broader plane. [passage omitted]

[Kartashevskyy] [passage omitted] How are you getting along with Prime Minister Fokin? Are your relations with him smooth?

[Kravchuk] Yes, they are. It seems to me that we have common views, in matters of principle at least. It is very important when people hold the same views on questions of principle, as we do on the Union treaty and the political structure of our republic. We are absolutely in agreement. On these matters we have a common language with other leaders and with enterprise managers, including high party officials—not on all questions, but on a majority of issues of principle. [passage omitted]

[Kartashevskyy] Are there issues on which you differ with Prime Minister Fokin?

[Kravchuk] No such issues have appeared yet.

[Kartashevskyy] Leonid Makarovych, the Ukrainian parliament's decision to defer the discussion of the Union treaty until mid-September has attracted world attention. Soviet and foreign commentators even started assuming that the fate of the Union treaty—and hence the fate of the Union itself—depends on the Ukraine's decision. In your view, can this be regarded as action directed at disintegration of the Union?

[Kravchuk] At this time there can be only one answer: The Ukraine wishes to be in a union of sovereign states on the basis of the results of the unionwide referendum and our republican poll. All other talk on this point has no real basis. One should not confuse the two notions of a union and a document about a union. Some people are now trying to substitute one notion with another. The referendum is substituted by the Union treaty by claiming that voters have already cast their vote in favor of the Union treaty. No one has voted for a Union treaty. They voted in favor of a Union. They want to see a new Union. [passage omitted] What we have to do now is to compose a document that will correspond to the voters' wishes. To do this, we need time. We allocated for ourselves only two and one-half months. We are only exercising our right. The Ukraine is only doing what it deems necessary, we are only governed by one thing—the fundamental interests of its own people—and not the whims of someone from some other region.

[Karatashevskyy] What if the political situation changes in such a way that our parliament is forced to make a decision not to sign the treaty? Do you foresee such a development?

[Kravchuk] First of all, I do not see any such development for the Union. Second, it is recorded in the treaty itself that the Union is open for the entry of democratic states and republics. Yes, open. I do not think that the Union can be born in a single day, that it should turn by any means into some extraordinary situation [as heard].

I am convinced that this is lofty everyday work, with the harvest in the future. By saying this, I am trying to point out the position of the Supreme Soviet is realistic, well-considered, and scientifically substantiated. We want to tell the people the truth. The treaty has to be this

way; we ask you to believe in it. It will not make things easier, but it is being concluded in order to embark on the road in a year or less.

[Kartashevskyy] Leonid Makarovych, in what form do you see this Union of ours? [passage omitted] Do you see it as a renovated federation, a confederation, or a commonwealth?

[Kravchuk] I have said that today's union has to consist of elements of both a federation and a confederation. A pure federation will not do any longer; pure federation now just cannot be. Mikhail Sergeyevitch insists that it has to be a rejuvenated pure federation, with all federative features. Other leaders also insist on this form. Our stand is that what we have to create is a new Union, a new community that will contain elements of both a federation and a confederation, taking into account our specific realities and those processes that are taking place in the republics. These processes are developing along the lines of sovereignty, which cannot be stopped. To halt sovereignty means terminating life. It would mean saying with certainty that we are leaving the new road and returning to the old one, returning once again to centralization, totalitarianism, and everything that we left behind and are trying to pull away from—with no desire to return. [passage omitted]

[Kartashevskyy] Leonid Markovich, many questions I am asking you are taken from letters of our listeners. [passage omitted] Our listeners in Germany and Poland ask if you regard your visits to Bavaria and Hungary as first steps toward establishing real diplomatic relations with foreign countries? [passage omitted]

[Kravchuk] The first aim of our journeys abroad is to project the Ukraine as it is today and where it is going. While abroad, I became convinced that people in foreign countries know very little about us. [passage omitted]

The Ukraine is unknown to them. They do not realize that the Ukraine is on the same level as France, and in the output of certain commodities per capita it exceeds France.

[Kartashevskyy] There are many Ukrainian scientists, politicians, and journalists abroad. They also provide information about the Ukraine.

[Kravchuk] Yes, but when a journalist shares his knowledge, it is one thing; when the chairman of Ukraine's Supreme Soviet divulges information, it is something different. I believe this, therefore I try to say as much as I can about the Ukraine, its policy, and its intentions. [passage omitted] We have already been approached by Turkey, Australia, and other countries with proposals to exchange consulates. Thus, our canvas is getting broader. We have to think about the acquisitions of buildings, establishing relations, and so on. [passage omitted]

[Kartashevskyy] In other words, everything has to be started from scratch. To date, these things proceeded through the center, through Union ministries and departments. [passage omitted]

[Kravchuk] Now we have to do it ourselves. Now we have to start thinking in all fields—psychological, theoretical, and political—in a sovereign, statehood way. Until now we did not engage in such matters. How could we, if only 5 percent of the republican economy was under our control. We were always told what to do and what not to do. All this we have to overcome. We have to cultivate people with new thinking. [passage omitted]

[Kartashevskyy] What is your attitude toward the deepening of economic, political, and cultural relations with Ukrainians? Is there in a pipeline some long-term program?

[Kravchuk] The Ukrainian Government, Supreme Soviet, and many social and public organizations are pursuing the aim of opening our first missions—I mean consulates and embassies—in the countries with numerous Ukrainian settlers, such as Canada and the United States. Talks are already in progress. We would like to make a start in the countries and in those with the largest concentrations of Ukrainians. We have also prepared an address to Ukrainian settlers advising them to not only subscribe to our papers, but also to visit the Ukraine more often. We would be pleased if they were able to participate more fully in the development of our new life. We could create for them more favorable conditions, not because we want to discriminate in their favor, but because they are Ukrainians.

[Kartashevskyy] One listener in Hamburg asks whether the Ukraine is prepared to accept the return of its sons and daughters from abroad? [passage omitted]

[Kravchuk] This problem will be solved in accordance with our laws, I am sure it will have a positive outcome. [passage omitted] We are going to keep our doors open. [passage omitted]

Plyushch Discusses Union Treaty Debates

LD2607212291 Kiev Radio Kiev International Service in Ukrainian 2200 GMT 24 Jul 91

[Interview with Ivan Plyushch, first deputy chairman of the Ukrainian Supreme Soviet, by correspondent Mykola Marynenko, place and date not given—recorded]

[Excerpts] As we have already reported, the latest session of the committee for preparing the new Union treaty has ended in Novo-Ogarevo, near Moscow. The Ukraine was represented at the meeting by Ivan Plyushch, first deputy chairman of the republic's parliament. He is interviewed by our correspondent Mykola Marynenko.

[Marynenko] Ivan Stepanovych, in this meeting in Novo-Ogarevo Leonid Kravchuk, chairman of the

Ukraine's Supreme Soviet, did not take part. Immediately rumors of a political nature started to circulate among journalists. What can you say in this connection?

[Plyushch] That is easy, unusually easy. Leonid Makarovich is now on annual leave. (?He thought) it would be unwise to break the leave (?for two days), and then resume it again.

[Marynenko] Today, in his interview for Western journalists, Mikhail Sergeyevich noted that during the latest meeting in Novo-Ogarevo an agreement was reached on all disputed questions of principle regarding the future Union treaty and its [words indistinct]. How do you assess this statement?

[Plyushch] No, I cannot assess the outcome of the meeting in such a straightforward way. An agreement, mentioned by Comrade Gorbachev, was achieved indeed, but not by all subjects of the new Union treaty. The first (?thing we discussed) was the structure of the Union. You know that among our deputies and the population of the Ukraine the formula which says that it has to be a union of sovereign states is (?more acceptable). This is the main thing. All agreed on this: The new union will be a union of sovereign states.

Next—a very vital observation was tabled by Kazakhstan, and I seconded it: Who are going to be the subjects of the new Union treaty? This topic produced many exchanges, but after a lasting discussion no (?absolute accord has ensued).

Sharp exchanges also took place when the next question—property—was tackled. Still, we agreed yesterday that everything situated on the territory of the republics, such as [words indistinct] plants and animals, belongs to them and is regulated by republican legislation. [passage omitted]

Then there was Clause 9. Boris Nikolayevich Yeltsin and I were resolutely against its stipulation of all-Union taxes and the forming of all-Union budgets.

[Marynenko] What was your stance on this question?

[Plyushch] Our position is that there must be a single-channel taxation on both enterprises and individuals, and that it must be exercized only by the republics themselves. Afterwards, republics will donate into Union budgets. [passage omitted] Unfortunately, all parties, except Russia and the Ukraine, agreed to have a federal taxation channel. As a result, the clause did not pass. [passage omitted]

Fokin, Mitsotakis Meet Press on Ties

LD2607220991 Moscow TASS International Service in Russian 1843 GMT 25 Jul 91

[By UKRINFORM-TASS correspondent Aleksey Petrunya]

[Text] Kiev, 25 Jul (TASS)—Konstandinos Mitsotakis, prime minister of the Hellenic Republic, and Ukrainian Prime Minister Vitold Fokin held a news conference in Kiev today.

In his speech, the head of the Ukrainian Government voiced complete satisfaction with how the dialogue between Greece and the Ukraine was developing and, specifically, with today's talks with the Greek leader. He noted that Konstandinos Mitsotakis's visit to the Ukraine is the logical continuation of the meeting that took place between them in Greece in May.

"While on an unofficial visit in that country, I did, nevertheless, have the opportunity to meet leaders at various levels," Vitold Fokin stressed. "During those conversations, I became convinced that the interests of our states coincide. The meeting with the prime minister was the warmest and most memorable one for me. We then agreed that he would, if possible, visit the Ukraine. The duration of the current visit is, of course, short, yet we have managed to do a lot. Specifically, we are initialling an agreement on economic, industrial, and scientific-technical cooperation. It is an unprecedented document. It indicates that the Ukraine, as a sovereign European state, is extending its international ties."

Having expressed his gratitude for the warm welcome, Konstandinos Mitsotakis emphasized that his visit had undoubtedly been fruitful. "We have long-standing, good links with the Ukraine—historical, cultural, and religious links," he said. "Also, from time immemorial, Greeks have lived on Ukrainian territory. Even now, there are more than 100,000 of them here. This also draws us closer together."

The Greek prime minister noted that in Moscow he signed a very important document—a treaty on friendship and cooperation with the Soviet Union. Relations should now develop both with the federative government and with the republican governments.

Konstandinos Mitsotakis said that Greece could become a sort of bridge for the Ukraine on its way to joining the EC. "This in the interests of the Ukraine and Greece," he emphasized. "Your republic is experiencing natural difficulties on its path toward democracy and the market. Of course, it needs European aid. We have told our entrepreneurs that they should get more actively involved in the Ukrainian market."

Replying to journalists' questions Vitold Fokin said: "We support the USSR president's efforts toward European integration, and we would like to be actively included in this process."

Ukraine Coal Industry 'Now in Deep Crisis'

LD2807021891 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 27 Jul 91

[From the "Vremya" newscast]

[Excerpts] The coal industry is now in deep crisis. Many mines in the Ukraine are in a complex situation. Here is our correspondent with his analysis of the causes of the fall in the output of this industry:

[Unidentified correspondent] In July, the coal recovery in Ukrainian mines has dropped by almost 2.5 million tonnes. The crisis that has engulfed the industry is getting deeper. Workers of the power engineering industry are sounding the alarm. A number of electric power stations have no fuel left. As they point out, they are just managing from day to day. An increasingly growing shortfall in coke deliveries—from the beginning of July the shortfall has reached more than half a million tonnes—have led to interruptions in the metallurgical industry and a drop in the production of metal.

Just like in the spring days of the miners strike, many coking batteries are now working in this slow regime. The shortage of coke has made metallurgists of the Ukraine prepare a plan for halting 13 blast furnaces. The open hearth furnace at Azovstal works is at half capacity even today. [passage omitted]

Miners are now going to leave for 65 days. Today the Donetskugol association is short of 5,000 workers and the Ministry has not even thought of replacing them. The number of shift workers has fallen dramatically. Higher wages—there are mines where miners get 2,000 rubles—is no incentive for work any longer, since this is not enough for anything but essentials. The miners are raising the question of whether there should be a guaranteed provision of goods via the workers supply system in return for a third of their wages. In a word, urgent measures are required to stop any further drop in the coal industry which would be ruinous for the whole economy.

Officers Congress Meets in Kiev

Convenes 'Despite Threats'

LD2807222791 Moscow Russian Television Network in Russian 1700 GMT 28 Jul 91

[From the "Vesti" newscast]

[Text] A Congress of Officers of Ukrainian citizenship has opened in Kiev. Among its organizers are Rukh [Ukrainian People's Movement for Perestroyka], the Commission on Human Rights of the Supreme Soviet, the Narodna Rada Opposition, and a group of officers. About 250 officers came to the congress despite threats from the command. The military district newspaper and the Communist Party newspaper raised a campaign against the congress long before it started and yet officers serving in the Ukraine delegated their representatives, many of whom came here in civilian clothes.

The main questions are those of the legal and social protection of servicemen and the establishment of a republican guard. Security is provided by detachments of the quasi-military order-maintenance squads established in western Ukraine. The hall is decorated with national flags of the Ukrainian Army, Air Force and Navy adopted at various stages of the Ukraine's history. [Video shows notice of congress, announcing in Ukrainian: "Welcome to delegates of the 1st Congress of Officers of the Ukraine. Without a Ukrainian Army there cannot be a Ukrainian state." It also carries the Ukrainian Trident. In the hall are seen men and women, with some of the men in uniform. Two guards in blue and white uniform are seen. Behind the speakers are banners, one with a cross and one with St. Michael the Archangel]

Debates National Army

LD2807212191 Kiev Radio Kiev International Service in Ukrainian 2200 GMT 27 Jul 91

[Excerpts] [Announcer] The Congress of Officers-Citizens of the Ukraine opened in Kiev today. Dmytro Ponamarchuk, editor of Radio Kiev, reports:

[Ponamarchuk] The Board for Military Issues of Rukh [Ukrainian People's Movement for Perestroyka], became the organizer of this congress in Kiev, in correspondence with the resolution of the second assembly of Rukh, which took place in October of last year. The lines from the declaration on state sovereignty of the Ukraine became the prerequisite and incentive for convening the congress. In the section on external and internal security, it is declared that the Ukrainian Soviet Socialist Republic has the right to its own armed forces. Precisely these lines stimulated the nationally conscious part of officers of the Soviet Army, who do their service in various military units not only in our republic, but also outside its borders. Many of them became delegates of this congress. How these delegates were elected, and who proposed them as candidates—these two questions arouse great curiosity in many observers.

As I learned from members of the organization committee of the congress, delegate officers were elected among those who take part in the activity of local organizations of Rukh, the Ukrainian Republican Party, the Party of Democratic Revival of the Ukraine, the Democratic Party of the Ukraine, and even the Prosvita Taras Shevchenko Ukrainian Language Society—in other words any non-communist public or political organizations. On their recommendation, an officer received the delegate's mandate.

Naturally, in certain cases the candidature of a delegate was also proposed directly by certain officers' circles which support the idea of the creation of Ukrainian armed forces, several officers who had the floor at the congress stated that. However, many of them wore civilian clothes at the congress, so as not to draw attention to themselves from representatives of the headquarters of military districts, who are present at the congress as observers. Retired officers, who are also full and equal participants in the congress, are mainly those who wear military uniform at the congress. On the first

day 240 delegates had been registered. The secretariat of the congress and the credentials commission have not yet made the information public on representation from military districts and oblasts.

Here is what Oleksandr Yemets, chairman of the Ukrainian Supreme Soviet Standing Commission on Human Rights, who is also deputy chairman of the organization committee of the congress, said at the opening of the congress:

[Begin Yemets recording] I would like to say a couple of words. Naturally, in the first place on behalf of the Commission on Human Rights, I would like to congratulate you on this courageous step. This is indicative of the fact that we are still living in a totalitarian society to a considerable extent. I congratulate you on the fact that you have made this step, and made your contribution to the cause of the creation of a normal democratic state in the Ukraine. [end recording]

[Ponamarchuk] Among others, Archbishop and Vicar of Kiev, His Holiness Volodymyr of the Ukrainian Autocephalour Orthodox Church, greeted those taking part in the congress. Before that there was a prayer.

Volodymyr Mulyava, deputy chairman of the council of the board of Rukh, master of philosophy, made a program report on the subject: the political situation in the Ukraine and problems in the revival of its armed forces. To put it briefly, Volodymyr Mulyava defined a thesis, which follows that only its own armed forces, built on three principles—namely reasonable sufficiency, high professionalism, and independence of party structures—an be the guarantor for an independent Ukrainian state. In this respect the transition from structures of the Union Armed Forces to national ones can only take place gradually, taking into account the interests of the Ukraine as well as the interests of other states. Therefore the speaker called for support for all efforts of the Supreme Soviet of the Ukraine directed at the stabilization of the situation in the republic, and also the policy of the Ukrainian Government regarding the USSR Armed Forces present in the Ukraine. [passage omitted]

I will add that in view of the majority of those taking part in the congress, which can be clearly seen, only the Supreme Soviet or appropriate state bodies created by the Supreme Soviet have the right to create Ukrainian armed forces. Creation of parallel military structures can cause harm to the movement toward complete independence of the Ukraine—in other words it is possible to build the Ukraine's own armed forces by strictly abiding by the laws of the Republic and by parliamentary means.

Here is another interview given by Colonel Yelen Martirosyan, USSR people's deputy, who does his service in Rovno Oblast and is an Armenian by nationality.

[Begin Martirosyan recording in Russian with superimposed report in Ukrainian] Today this congress, which continues with great difficulties in spite of the attempts by our great military leaders to wreck it by means of threats, will continue, and it will become historic. Why? Because it is the beginning of crushing the reign of the Politburo's new CPSU Central Committee's dictatorship over the Armed Forces. We will approve documents at this congress which will make the republican Supreme Soviet tear the Army, the Committee for State Security, and law enforcement bodies away from subordination to the Communist Party, Colonel Yelen Martirosyan said in his interview for Radio Kiev. [end recording] [passage omitted]

[Ponamarchuk] The congress will continue its work tomorrow.

Congress Ends 29 Jul

LD2907095291 Moscow TASS in English 0913 GMT 29 Jul 91

[Text] Kiev July 29 TASS—A congress of army officers—citizens of the Ukraine—ended here on Sunday. The congress that was held on the initiative of the socio-political movement Rukh [Ukrainian People's Movement for Perestroyka] was attended by about 320 people, with half of them being reserve officers.

Those present at the congress discussed the political situation in the Ukraine, problems of reviving a Ukrainian national army, and matters concerning the social protection of servicemen.

Speakers strongly criticised the Soviet Communist Party and the draft new Union treaty.

There were negative remarks about the Soviet Army which, as speakers put it, is "an occupationist one" and "serves imperial goals".

At the same time, in the opinion of officers of the Kiev garrison and of a number of higher military educational establishments, the congress was an incompetent forum convened contrary to the will of the Ukrainian parliament.

An address by the garrison's officer assemblies to the officers of the Kiev Military District points out that the congress was yet another attempt at destabilising the situation in the republic.

Georgia

Georgia Joins Nuclear Nonproliferation Treaty

AU2607153291 Tbilisi Radio Tbilisi Network in Russian 1345 GMT 26 Jul 91

[Text] Resolution of the Supreme Council of the Republic of Georgia concerning the treaty on nuclear nonproliferation. The Supreme Council of the Republic of Georgia resolves as follows:

The Supreme Council of the Republic of Georgia and the Government of the Republic of Georgia hereby declare that they join the treaty on the nonproliferation of nuclear weapons adopted on 1 July 1968 and will be strictly guided in their activity by the regulations formulated in it.

[signed] Akakiy Asatiani, chairman of the Supreme Council of the Republic of Georgia.

Georgia, Armenia Sign Relations Treaty

LD2807174191 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 28 Jul 91

[From the "Vremya" newscast]

[Text] A treaty on the main principles of interstate relations between Armenia and Georgia has been signed in Tbilisi.

[Reporter] Based on the sides' aspiration to cooperation and further development of good-neighborliness, and proclaiming the supremacy of values common to all mankind that have linked the Armenian and Georgian peoples for centuries, the supreme leaders of Armenia and Georgia have agreed to recognize one another's state sovereignty, territorial integrity, and the principle of noninterference in one another's internal affairs; to exchange on a reciprocal basis diplomatic missions; to establish trade and economic relations; and to deepen ties in the fields of science, literature, and art.

The treaty was signed on the Armenian side by Levon Ter-Petrosyan, chairman of the Supreme Soviet of the Republic of Armenia, and on the Georgian side by Zviad Gamsakhurdia, president of the Republic of Georgia. [video focuses on Ter-Petrosyan, and the reporters following words quote him]

I think that we have today laid a strong, solid foundation for further fruitful, mutually advantageous cooperation between the two free states, and that thereby the tradition of friendship and good-neighborly relations between the two peoples will be continued. [video now focuses on Gamsakhurdia, and the reporters following words quote him]

Our treaty is somewhat symbolic, for both our states are for the present on the road to their independence. I think that our agreement is a good beginning and that it will yield healthy shoots of mutual understanding and friendship.

Georgia, Azerbaijan Friendship Treaty Ratified

AU2607154291 Tbilisi Radio Tbilisi Network in Russian 1345 GMT 26 Jul 91

[Text] Resolution of the Supreme Council of the Republic of Georgia on the ratification of the treaty on friendship and good neighbor relations between the Republic of Georgia and the Azerbaijan republic: The Supreme Council of the Republic of Georgia resolves to ratify the treaty on friendship and good neighborly relations between the Republic of Georgia and the Azerbaijan Republic signed on 12 July 1991 in Tbilisi.

Armenia

'Undeclared War'

LD2807173391 Moscow TASS in English 1713 GMT 28 Jul 91

[By correspondent Tigran Liloyan]

[Text] Yerevan July 28 TASS—Armenian Government Defence Committee has called on young Armenian men possessing the "necessary combat weapons" to report to local district centres before Monday night to "register and receive assignments".

In the past three years "the Soviet Union and Azerbaijan have been waging an undeclared war against the Armenian people and it is no longer possible to resolve the issue by political means alone," the committee said in a statement published here.

The document asked citizens who cannot take part in combat actions due to health or family reasons, but who have combat weapons, to hand it in to district centres.

The Defence Committee was organised early in May to coordinate actions between republican organisations and Soviet Army units.

Appeal for Volunteers, Weapons Reported

NC2807102191 Yerevan Radio Yerevan Network in Armenian 1730 GMT 27 Jul 91

[Report by Gayiane Mkrtichyan from the press briefing at the Armenian Council of Ministers in Yerevan on 27 July—recorded]

[Text] [Mkrtichyan] Simon Bagdasaryan, coordinator of the Republican Operative Staff, provided information about developments in Armenia's border regions and Shaumyanovskiy Rayon in the last 24 hours.

[Bagdasaryan] [passage indistinct] It has been speculated that they are delaying the start of the talks until [words indistinct]. It is difficult to know their intentions, but it

does seem quite possible that (?they) may launch a military operation on Saturday and Sunday.

On the other hand, light was shed on one point: Officers in Shaumyanovskiy revealed that they received an order signed by USSR Defense Minister Yazov on 23 July authorizing them to use military planes [words indistinct].

[In its report on the briefing, Yerevan Radio Yerevan International Service in Armenian at 1630 GMT on 27 July adds that Bagdasaryan said the situation in Shaumyanovskiy Rayon was unchanged. He added: "Soviet troops and Azerbaijani Special Purpose Militia Detachment forces are massing on Shambaptug hill near Verishen village. The troops are digging trenches. Adults are still in the village, but the children have been sent away. No Armenians are left in Manashid, Buzluk, and Erkech villages. The self-defense groups in Versihen are ready to repel any attack. The situation is relatively calm in the republic's border region."]

[Mkrtichyan] Defense Committee Chairman Vagan Shirkhanyan then read out a declaration issued by the Defense Committee. The declaration appeals to the people to give it the closest attention and urges them to recognize the (?gravity) and full dimensions of the prevailing situation.

[Shirkhanyan] Compatriots, it has been said on many occasions in the last three years that the Union and Azerbaijan are waging an undeclared war against the Armenian people. For some unknown reason, however, many have adopted the center's term of inter-ethnic conflict. The view implied by the use of this term has vastly undermined our ability to put up a resistance, with results with which we are all too familiar: Tens of thousands Armenians have been deported from their villages and thousands of square kilometers of Armenian territory and hundreds of fine young men have been lost.

This situation will persist until we meet force with force. Our committee, convinced that the problem cannot be solved only through political means at present, is now working in this direction. Therefore, we call on the Armenian youth who are ready to defend the fatherland and the Armenian people and who have the appropriate combat weapons to present themselves to the staff headquarters at rayon soviets by 1800 on Monday to enlist and receive directives. Those citizens who have combat weapons but whose health or family circumstances prevent them from participating in military operations are asked to deliver these weapons to the staffs [word indistinct].

We make a special appeal to the military [word indistinct] and cadres who are greatly needed at this time. We will be waiting for them at the Defense Committee's Staff on Monday. The address is: the Armenian Republic's Defense Committee, Bagramyan Avenue, Shaumyan building.

Ter-Petrosyan Reaffirms Commitment to Independence

PM2607111691 Paris LE MONDE in French 26 Jul 91 p 4

[Interview with Levon Ter Petrosian, president of the Armenian Supreme Soviet, by Sophie Shihab; date, place not given]

[Text] Moscow—[Shihab] According to some reports, Mr. Gorbachev regarded your presence in Novo-Ogarevo as a sign that Armenia plans to sign the Union treaty. Is there any truth in this?

[Ter Petrosyan] There is no truth in it. Armenia—which has chosen the path defined by the Soviet Constitution for accession to independence—adheres to the principle of attending all meetings at which the future of the Union is discussed. The six republics that rejected the Soviet referendum on maintaining the USSR were not invited to the first meeting of the "Nine plus One" on 23 April. At the time of the second meeting, 24 May, I was in France. When the third was held, 2 June, I absented myself to protest Moscow's position in Nagorno Karabakh. This time I went as an observer.

When I was asked what Armenia's stance on the Union treaty is, I said that no answer can be given until the 21 September referendum in Armenia on the independence issue. The Ukrainian representatives at Tuesday's meeting gave a similar reply: They will have to wait two months for the issue to be brought before their parliament. As far as Armenia is concerned, I believe that the answer will be clear: The people want independence. Though they also want to preserve and develop economic ties with the other peoples of the USSR. I stressed that to impose—as Moscow wants—trading terms detrimental to the republics involved in the legal process of accession to independence is a violation of the very requirements Soviet law. Boris Yeltsin in particular supported me on this point.

[Shihab] Nevertheless it is claimed that more and more Armenians are thinking that after all they do want to remain in the Union.

[Ter Petrosyan] This only applies to certain parties—the Communist Party, the Dachnak (the former emigration party, now official in Armenia—LE MONDE editor's note), and groups of Armenians originating from Nagorno Karabakh but resident in Armenia. They openly state that Armenia must sign the Union treaty in order to have a chance of regaining Nagorno Karabakh. The inhabitants of this region decided 16 May to seek a compromise and negotiations with Azerbaijan. An initial delegation—headed by the new president of the executive committee, Leonard Petrosyan—has just visited Baku where it presented its plans to President Mutalibov. For its part, the Armenian parliament approved the initiative 16 July by a majority of one vote, after I had fought for it for two days.

The international community should be informed about the documents that we adopted. They confirm our position in favor of the nations' right to self-determination, while recognizing "the needs to seek political solutions and to exclude force from the settlement of ethnic problems." However, a draft resolution stating that the Armenians of Nagorno Karabakh had started a "national liberation struggle" was not adopted.

[Shihab] Are your adversaries not starting to accuse you of abandoning, now that you are in power, that for which you fought for three years, while the deportation of the Armenians of Nagorno Karabakh continues, with the Soviet Army's help?

[Ter Petrosyan] Yes, but they have no alternative plan to put forward. I said Tuesday in Novo-Ogarevo that to give the only viable process—negotiations—a chance we must support the goodwill of the Nagorno Karabakh representatives by creating a favorable atmosphere for these talks, by stopping the "passport examination operations." I had the impression that I was heeded: Azerbaijani President Mutalibov did not protest, Mr. Gorbachev welcomed "the appearance of positive signs," and Mr. Yeltsin asked the Soviet president to involve himself as a mediator so as not to miss this opportunity for the establishment of real negotiations between the Armenians of Nagorno Karabakh and the Azerbaijani authorities.

Ter-Petrosyan Comments on Novo-Ogarevo Meeting

NC 2607134291 Yerevan Radio Yerevan Network in Armenian 1730 GMT 25 Jul 91

[Statement by Armenian Supreme Soviet Chairman Levon Ter-Petrosyan to the Armenian Supreme Soviet in Yerevan on 25 July—recorded]

[Text] Esteemed deputies, you know that I took part in the Novo-Ogarevo meeting on 23 July. My purpose is attending this meeting was to take advantage of this opportunity to raise the Nagorno-Karabakh problem. I was able to do so despite the fact that the meeting was primarily intended to finalize the text of the union treaty.

I had compiled all relevant documents, including Nagorno- Karabakh's 16 May declaration, its letter to Gorbachev outlining a specific program to solve the problem, and our Supreme Soviet's decision supporting the Nagorno-Karabakh initiative. At Gorbachev's request, these documents were distributed to all participants when the meeting opened, and at the end of the meeting [words indistinct] Nagorno-Karabakh problem was discussed. In particular, Gorbachev stressed the importance of the political atmosphere that has emerged as a result of Nagorno-Karabakh's initiative. It was noted that this opportunity should not be lost; everything should be done to bring the dialogue to a successful conclusion.

In this regard Yeltsin also played an important role. He demanded that Gorbachev serve as the guarantor of and mediator at these negotiations so that they can bear fruit.

All the participants agreed that there has been positive movement on this question and maximum advantage must be taken of it. It was specifically noted that [words indistinct] first meeting of the NKAO people's deputies with the Azerbaijani authorities took place last Saturday.

I met with Leonard Petrosyan, the leader of the Nagorno-Karabakh delegation in Moscow. He is currently the acting chairman of the oblast's soviet executive committee.

In my address yesterday I stressed Nagorno-Karabakh's and Armenia's readiness for dialogue and [words indistinct] Azerbaijan. In order to achieve a dialogue, however, it is necessary to create a (?civilized) atmosphere; in other words, all operations must be terminated. I urged the meeting's participants to ask Mutalibov to suspend the passport control regime in Nagorno-Karabakh and Shaumyanovskiy, because we know that whenever such measures are taken, residents of a village are being forcibly (?deported). Mutalibov agreed on this issue. Mutalibov (?agreed with our account of incidents in Shaumyanovskiy yesterday) [words indistinct] yesterday's incidents have nothing to do with the Azerbaijani Special Purpose Militia Detachment [OMON]. It is not OMON but the army which has appeared near Verishen and Aiyboris villages. [Words indistinct] it is the 23d Division of the Soviet 4th Army [words indistinct].

Thus, I tried to ascertain the truth of the situation as far as possible yesterday. [passage indistinct] What is certain is that Mutalibov has kept his promise and already yesterday morning the Azerbaijani Internal Affairs Ministry [words indistinct] (?has received orders) from Mutalibov to put an end to passport controls. This is the situation. Though the Army has not withdrawn, there are no shootings in the villages. The armored cars are kept some distance from the villages. This is the situation. I am trying to clarify the situation and see to it that the troops leave these villages. This is all I have to say.

Armenian Officials Brief Media on Border

NC 2607130891 Yerevan ARMENPRES International Service in Armenian 1215 GMT 25 Jul 91

[Text] At a regular press briefing at the Armenian Council of Ministers on 24 June, the republic's interim acting interior minister, Ashot Manucharyan, discussed the situation in Shaumyanovskiy Rayon and the border regions. He noted that the situation had been aggravated during the day as the villages of Aiyboris and Verishen came under constant fire and 12 paratroopers landed on a hill near Verishen.

He added that he had discussed the situation with the Azerbaijani interior minister, who denied that Azerbaijan was taking part in these operations and said they

were being conducted Soviet Army subunits supposedly searching for those responsible for a soldier's death.

Despite intensive artillery fire and shelling by warplanes, the self-defense detachments in Verishen and its environs have been able to repel the attacks. According to the latest information, no one has been killed or wounded so far.

The border zone was calm last night. A minor incident took place in Vardenisskiy Rayon, but the Azerbaijanis withdrew after an exchange of fire.

The situation was also relatively calm in Nagorno-Karabakh. According to preliminary reports, two Azerbaijanis, one of whom was a member of the Azerbaijani Special Purpose Militia Detachment, were killed in Gadrutskiy Rayon.

Ashot Manucharyan then replied to reporters' questions.

[Yerevan Radio Yerevan Network in Armenian at 1730 GMT on 25 July reports that at the regular press briefing at the Armenian Council of Ministers on 25 July, Vagan Shirkhanyan, chairman of the Defense Committee attached to the Council of Ministers, provided the latest information about the situation in Shaumyanovskiy Rayon and the border regions. Shirkhanyan noted that "the village of Verishen in Shaumyanovskiy Rayon came under continuous shelling during the night," adding that "the village is surrounded by some 18 armored cars." The troops are warning residents that "that the entire village will be destroyed if they fire even a single shot at the soldiers." The troops are also calling on the people "to abandon the village." Shirkhanyan also said that "the situation on the borders of Vardenisskiy, Kapanskiy, and Gorisskiy Rayons is also very tense."]

Supreme Soviet Views Presidential Powers

NC2607122791 Yerevan ARMENPRES International Service in Armenian 1215 GMT 25 Jul 91

[Excerpts] Yerevan, 25 Jul (ARMENPRES)—At yesterday's session of the Armenian Supreme Soviet, Deputy Ashot Navasardyan asked why Supreme Soviet Chairman Levon Ter-Petrosyan had taken part in the Novo-Ogarevo consultations despite the Supreme Soviet Presidium's decision.

Babken Ararktsyan, chairman of the session and first deputy chairman of the Supreme Soviet, clarified the matter.

The parliament then resumed debate on the bill "on the post of president of the Armenian Republic." [passage omitted] The parliament endorsed the Constitutional Commission's proposals to create the posts of president, vice president, and prime minister. [passage omitted]

[Yerevan Radio Yerevan Network in Armenian at 1730 GMT on 25 July reports that the Armenian Supreme Soviet continued debate on the bill on 25 July, adding that a proposal was submitted that the president appoint the prime minister and, in consultation with the latter, the ministers. Their names would then be submitted to the parliament for confirmation, which would require a two-thirds majority vote in their favor. "This proposal failed to secure the necessary number of votes. Deputy Paruyr Ayrikyan proposed an amendment to the effect that the parliament should confirm the prime minister and ministers not by a two-thirds majority, but by a simple majority; that is, by 131 votes. After a recess, this proposal was adopted by 134 votes." According to the radio, "the parliament also adopted by (?139) votes the provision that the president would nominate members of the Constitutional Court who would then be confirmed by the parliament."]

Call for Third-Party Mediation Cited

LD2807140991 Moscow Central Television First Program Network in Russian 1200 GMT 28 Jul 91

[From the "Television News Service" program]

[Text] We constantly carry items on the situation in Armenia and Azerbaijan, and in this connection here is a report from the NOVOSTI agency, which has cited the reply given by Feliks Oganesyan, Armenia's permanent representative in Moscow, to a journalist on the GRAZHDANSKOYE SOGLASIYE newspaper. In order to insure the success of talks on a settlement of the conflict, a third party is needed which has an interest in an accord being reached between Armenia and Azerbaijan, he stated. Oganesyan regards the parliaments of Russia, the Ukraine, Kazakhstan or other union republics to be the most acceptable mediators. If talks take place, the Armenian permanent representative believes, broad possibilities would open up. The peoples of the Transcaucasus could create an economic union capable in time of assuming the features of a political union. It does not matter what country a person lives in: What counts is how he lives. An understanding of that would lead to an easing of the very foundations of the conflict.

Armenian-Azerbaijani Talks Fail to Materialize

LD2807205391 Moscow Radio Rossii Network in Russian 1900 GMT 28 Jul 91

[Text] The talks scheduled for today between the Armenian and Azerbaijan communities in Shaumyanovskiy Rayon, with the mediation of the Soviet Army command and USSR people's deputies who are in the region, did not take place because the Azerbaijani side failed to show up. On the high ground overlooking the Armenian village of (?Lilishen) in Shaumyanovskiy Rayon, subunits of the Soviet Army are continuing to dig themselves in, despite the decision by Defense Minister Yazov to withdraw troops.

USSR Supreme Soviet People's Deputies Shabad and Smirnov, who are in Shaumyanovskiy Rayon, have sent a cable to USSR Minister of Internal Affairs Pugo and USSR Defense Minister Yazov, asking for the Soviet Army troops concentrated in Shaumyanovskiy Rayon to

be withdrawn, and for the units of Internal Troops that were withdrawn just before the armed action against the Armenian villages to be brought back for the protection of Armenian villages from the Azerbaijani OMON [Special Purpose Militia Detachments].

There is no lull in the tension in the areas of Armenia bordering on Azerbaijan. Several centers of population were fired on from the Azerbaijan side during the night. At the 20-kilometer point on the road between Goris and Kafan, one person was killed by gunfire from Azerbaijan. This information was provided to our correspondent Koryan Khumaryan by a spokesman for the Armenian Ministry of Internal Affairs Press Center.

Developments in Border Conflict Discussed

LD2807143491 Moscow Radio Rossii Network in Russian 1100 GMT 28 Jul 91

[Text] Last week was marked by new instances of genocide on the Armenian-Azerbiajan border. Correspondent (Armen Tulyan) of the SNARK news agency reports:

[Tulyan] Military aggression against the peaceful Armenian population continues in the Shaumyanovskiy rayon. Anatoliy Shabad, Russian people's deputy, and Colonel Vladimir Smirnov, chairman of the coordinating committee of the movement "The military for Democracy" are at present in (Verifen), the largest village in this rayon. They have sent a telegram addressed to Mikhail Gorbachev which says that the 4th army of the Transcaucasian Military District is waging a real war against Armenian villages. The people's deputies have also appealed to the Committee of Soldiers' Mothers of Russia, calling on them to do everything to stop the meaningless bloodshed.

Meanwhile Levon Ter-Petrosyan, chairman of the Supreme Soviet of Armenia, visited Novo-Ogarevo this week but only to raise the question of Nagorno-Karabakh. According to him, Boris Yeltsin called on Gorbachev to be an intermediary in negotiations on the settlement of the conflict in the region. Discussion of the draft union treaty will start at the republic's parliament on Monday. Vazgen Manukyan, prime minister of Armenia, stated the other day that non-participation in the preparation of this treaty was a mistake, but the version of the document which is submitted for signing is not acceptable for the republic.

And another piece of news. Zviad Gamsakhurdia and Levon Ter-Petrosyan signed a treaty on friendship and cooperation between Armenia and Georgia in Tbilisi on Saturday. This is the first inter-governmental agreement of this kind to be signed by Armenia.

Azerbaijan

Official Denies Concessions to Armenia

OW2907100791 Moscow INTERFAX in English 0930 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] The press secretary of the Azerbaijani President Osman Mirzoyev has said answering IF's [INTERFAX] question whether new prospects for resolving the problem of Nagorno-Karabakh will open up if Armenia signs the Union treaty: "We do not intend to present Krabakh to Armenia for that. The problem will be resolved, of course, but by Azerbaijan."

"The states signing the Union treaty shall recognize the territorial integrity and existing borders of each other, he said, consequently if Armenia signs the treaty it will drop all its territorial claims to Azerbaijan."

Mirzoyev stressed that the Union Government should be concerned about stopping the Armenian-Azerbaijani conflict more than anyone. "Union agencies shall be given appropriate powers for this purpose, by the way, he stressed, and we demand that Armenia abolish its old resolutions on Nagorno-Karabakh."

The possibility of Armenia signing the Union treaty arose after the chairman of the Armenian parliament Levon Ter-Petrosyan took part in the conference in Novo Ogaryovo last Tuesday.

Kazakhstan

Nazarbayev Meets ROK Parliamentary Delegation

LD2607220791 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 25 Jul 91

[Text] On 22 July there was a meeting between President Nazarbayev of the Kazakh Soviet Socialist Republic and a parliamentary delegation of the Republic of Korea. During the conversation there was discussion of a broad range of questions concerning mutually advantageous business cooperation. Kim Yun- hwan, the leader of the delegation, general secretary of the Democratic Liberal Party of the Republic of Korea, expressed satisfaction at the progress of development of commercial and economic links between his country and Kazakhkstan. He stated that Korean businessmen were interested in business partnership with Kazakh entrepreneurs. Within the framework of long-term cooperation, joint enterprises have begun to be set up in the republic with Korean firms. There are presently about 100,000 Koreans living in Kazakhstan. This is one third of the entire Korean population of the USSR. In connection with this, there was talk of the need to set up Korean culture centers and courses for studying Korean. There was discussion of the question of assistance to Kazakhstan in training business people and young people in educational establishments of the Republic of Korea. It is intended that the delegation will arrive in Alma-Ata on 26 July, where it will continue negotiations with representatives of the Parliament of Kazakhstan.

Italian Envoy Invites Nazarbayev To Visit

LD2607221491 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 25 Jul 91

[Text] On 23 July Nazarbayev received Ferdinando Salleo, ambassador extraordinary and plenipotentiary of Italy to the USSR, at the permanent mission of the Kazakh Soviet Socialist Republic in Moscow at the latter's request. On behalf of Francesco Cossiga, president of the Republic of Italy, and Giulio Andreotti, the prime minister, the ambassador presented Nazarbayev with an invitation to pay an official, friendly visit to Italy. The invitation was accepted with gratitude. The time of the visit will be determined later.

During the conversation Nazarbayev talked about the progress of political and economic reforms in Kazakhstan. It was stressed that the republic's Parliament had passed a package of laws on transferring the economy to market relations. A number of joint enterprises has been set up, including with Italian firms. Interest was expressed in expanding contacts with Italian business circles. In particular, it was proposed to examine the possibility of creating a branch of the famous firm Fiat to assemble motor vehicles on the territory of Kazakhstan.

It was also noted that the republic has an acute need for specialists in the fields of business, marketing, management, banking, and financial systems. Nazarbayev expressed the wish, within the framework of the Italian mission of providing help to the Soviet Union, to send a group of Kazakh economists to train in business schools.

President Nazarbayev Receives Singapore Envoy

LD2607222191 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 25 Jul 91

[Text] On 23 July the president of Kazakhstan received Joseph Francis Conceicao, ambassador extraordinary and plenipotentiary of Singapore, at the latter's request. The conversation took place in a constructive, business-like atmosphere. The ambassador reported that business circles are displaying an interest in establishing mutually advantageous economic cooperation between Kazakhstan and Singapore.

There was a discussion of the program for the forthcoming visit of former Prime Minister of Singapore Lee Kuan Yew to the Kazakh Soviet Socialist Republic. It is expected that he will arrive in Alma-Ata in mid-September, when he will hold consultations with the Supreme Economic Council of the Kazakh Soviet Socialist Republic. Meetings have been outlined with leaders of economic ministries and departments of the republic and with representatives of business circles. Lee Kuan Yew, who is one of the authors of the economic revival of Singapore, during his visit to Kazakhstan will discuss with specialists problems for the optimum correlation between private and state sectors of the economy, monetary and financial policy, banking business, taxation, development of export output, and attracting foreign firms to Kazakhstan. The meeting dealt with the question of training specialists for Kazakhstan in the afore- mentioned problems in educational establishments, banks, and firms in Singapore. Nazarbayev also expressed the wish to attract investments from Singapore for the construction of hotels in Kazakhstan and the formation of the industrial infrastructure of the market.

Nazarbayev Accepts Invitation To Visit Mongolia

LD2607223291 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 25 Jul 91

[Text] The meeting of the president of the Kazakh Soviet Socialist Republic with Nyamyn Mishigdorj, ambassador extraordinary and plenipotentiary of Mongolia to the USSR, was fruitful. The conversation between them touched on questions of good-neighborly business cooperation and prospects for concluding a trade and economic agreement between Kazakhstan and Mongolia. The ambassador noted that there are quite a few families in Mongolia who would like to work on contract in Kazakhstan. However, the existing system of formulating visa documents and crossing the state border creates serious obstacles to this. With the aim of removing them, it would be desirable to regulate these issues, and also to create a checkpoint in Tashan, Altay Kray.

On behalf of his government, Nyamyn Mishigdorj presented Nazarbayev with an invitation to pay an official visit to the Mongolian People's Republic. The invitation was gratefully accepted.

Republic TV To Expand Daily Transmissions

LD2707014391 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 25 Jul 91

[Text] Transmissions of the First Program of Kazakh Television can now be seen in Bayn Olgy Aymag in the Mongolian People's Republic. According to the central Mongolian paper ARDYN ERH, quoting statements by the leader of the television and radio broadcasting company of the Kazakh Soviet Socialist Republic, Kasymbekov, Soviet Kazakhstan is paying for the construction of the Zhara relay station specially for transmiting TV programs from Alma-Ata. After it is commissioned, the transmission time will increase to 15 hours daily, writes the Mongolian paper today.

President Nazarbayev Signs Privatization Law

LD2807011891 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 27 Jul 91

[From the "Vremya" newscast]

[Text] Nazarbayev, the Kazakh president, has signed a privatization law. It says, among other things, that all ethnic wealth situated in the territory of the republic is the property of Kazakhstan and comes under its jurisdiction.

Kyrgyzstan

Akayev Urges End to Lawlessness, Violence

OW2907055091 Moscow INTERFAX in English 1230 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] Kyrgyzstan's President Askar Akayev has made a public statement today, July 27, concerning the discovery by the republic's KGB of mass burials of victims of Stalin's repressions in 1937-39. The graves are in the Chon-Tash ravine near the town of Bishkek.

Akayev expressed firm resolve to restore the historical and legal justice and to rid public life of lawlessness and violence. He pledged to prevent similar crimes against the people in future. He proclaimed respect for human rights, law and order as the goal of current renewal. This ideal, goes on his statement, calls for warding off the danger of a new dictatorship, for the unity of all democratic forces, and forming a civil society.

Republic To Develop Bilateral Ties With Israel

OW2907050691 Moscow INTERFAX in English 1800 GMT 26 Jul 91

[Following item transmitted via KYODO]

[Text] As IF's [INTERFAX] correspondent was told in the Kyrgyz Agriculture Ministry's foreign trade department in response to his request to comment on the recent negotiations with an Israeli delegation, future relations between Kyrgyzstan and Israel will depend on results of the upcoming talks of the republic's President Askar Akayev with USSR Vice-President Gennadiy Yanayev in Moscow. Though diplomatic relations between the USSR and Israel have not been restored yet, that is not an obstacle to establishing bilateral economic ties.

As a result of the negotiations, Kyrgyz President Askar Akayev and Israeli Agriculture Minister Refa'el Eytan agreed on future exchange of experts so that they could determine spheres of cooperation on the spot.

Akayev Allocates 1 Million Rubles for Bishkek

OW2907030991 Moscow INTERFAX in English 1500 GMT 27 Jul 91

[Following item transmitted via KYODO]

[Text] Kyrgyzstan President Askar Akayev has allocated a million rubles from the republic's presidential fund for building an up-to-date school and kindergartern in the residential district for young families in Bishkek to make up for the shortage of school facilities.

The president made the decision at Friday's meeting with spokesmen of ASAHR and BAKAI ATA building societies set up to help young families with credits, building materials, transport and so on.

Uzbekistan

Republic Donates Goods to PRC Flood Victims

LD2707015791 Moscow All-Union Radio Mayak Network in Russian 1500 GMT 26 Jul 91

[Text] An Il-76 transport aircraft left Uzbekistan today on a special flight to deliver goods donated as charity to the victims of the recent severe flooding in various parts of the PRC. The collection and dispatch of the goods was organized by the republican Red Crescent and Red Cross societies, and the Uzbek Civil Aviation Administration has provided the aircraft free of charge.

General Staff Criticizes Service Alternative

PM2907083991 Moscow KRASNAYA ZVEZDA in Russian 25 Jul 91 First Edition p 4

[USSR Armed Forces General Staff reply to reader's letter: "Homegrown Alternatives Only Hurt Matters"]

[Text] "Recently Uzbekistan has been successfully carrying out the plan for the drafting of young people into the Army. Now it is being said that there are some difficulties in this area.

"Is this the case? [Signed] B. Yeremin. Voronezh."

Uzbekistan only fulfilled its spring draft plan by 86.4 percent (the figure has not yet been finalized). Both the sociopolitical situation in the country and the fact that, despite the USSR presidential decree of 1 December 1990 "On Certain Acts on Defense Questions Adopted in the Union Republics," this January the Uzbek SSR [Soviet Socialist Republic] Cabinet of Ministers adopted the resolution "On the Shaping and Functioning of Non-Army Service Detachments" have taken their toll. It envisaged the creation of alternative labor service in the republic before the end of the year.

Such actions by the Uzbek Government do not correspond with the decisions made by the USSR Supreme Soviet, which instructed committees, commissions, and interested ministries and departments to prepare possible and acceptable options for non-Army service which would be identical countrywide. Provisions on this have already been reflected in the new draft USSR laws on defense, and on universal military obligations and military service. It is planned to examine the documents during the current year.